

**AGENDA**

**WILSONVILLE CITY COUNCIL MEETING**

**SEPTEMBER 8, 2016  
7:00 P.M.**

**CITY HALL  
29799 SW TOWN CENTER LOOP  
WILSONVILLE, OREGON**

Mayor Tim Knapp

Council President Scott Starr  
Councilor Susie Stevens - **excused**

Councilor Julie Fitzgerald - **excused**  
Councilor Charlotte Lehan

**CITY COUNCIL MISSION STATEMENT**

To protect and enhance Wilsonville's livability by providing quality service to ensure a safe, attractive, economically vital community while preserving our natural environment and heritage.

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**Executive Session is held in the Willamette River Room, City Hall, 2<sup>nd</sup> Floor**

- |                  |  |                  |
|------------------|--|------------------|
| <b>5:00 P.M.</b> | <b>EXECUTIVE SESSION</b>   | [15 min.]        |
| A.               | Pursuant to ORS 192.660 (2)(e) Real Property Transactions<br>ORS 192.660(2)(f) Exempt Public Records<br>ORS 192.660(2)(h) Litigation |                  |
| <b>5:15 P.M.</b> | <b>REVIEW OF AGENDA</b>  | [5 min.]         |
| <b>5:20 P.M.</b> | <b>COUNCILORS' CONCERNS</b>  | [5 min.]         |
| <b>5:25 P.M.</b> | <b>PRE-COUNCIL WORK SESSION</b>  |                  |
| A.               | Planning Fees & CD Fund Review (Cole)  | [30 min.] Page 1 |
| B.               | Time, Place & Manner – Marijuana (Gibbons / Jacobson / Neamtzu)  | [40 min.]        |
| C.               | Wilsonville Road Traffic Concerns Update (Kraushaar / Adams)   | [15 min.]        |
| <b>6:50 P.M.</b> | <b>ADJOURN</b>   |                  |
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**CITY COUNCIL MEETING**

The following is a summary of the legislative and other matters to come before the Wilsonville City Council a special session to be held, Thursday, September 8, 2016 at City Hall. Legislative matters must have been filed in the office of the City Recorder by 10 a.m. on August 30, 2016. Remonstrances and other documents pertaining to any matters listed in said

summary filed at or prior to the time of the meeting may be considered therewith except where a time limit for filing has been fixed.

**7:00 P.M. CALL TO ORDER**

- A. Roll Call
- B. Pledge of Allegiance
- C. Motion to approve the following order of the agenda and to remove items from the consent agenda.

**7:05 P.M. MAYOR'S BUSINESS**

- A. Upcoming Meetings Page 99

**7:15 P.M. COMMUNICATIONS**

- A. Brayden's Berry Stand (staff – Gail)

**7:30 P.M. CITIZEN INPUT & COMMUNITY ANNOUNCEMENTS**

This is an opportunity for visitors to address the City Council on items *not* on the agenda. It is also the time to address items that are on the agenda but not scheduled for a public hearing. Staff and the City Council will make every effort to respond to questions raised during citizens input before tonight's meeting ends or as quickly as possible thereafter. Please limit your comments to three minutes.

**7:40 P.M. COUNCILOR COMMENTS, LIAISON REPORTS & MEETING ANNOUNCEMENTS**

- A. Council President Starr – (Park & Recreation Advisory Board Liaison)
- B. Councilor Fitzgerald – (Development Review Panels A & B Liaison)
- C. Councilor Stevens – (Library Board and Wilsonville Seniors Liaison)
- D. Councilor Lehan– (Planning Commission and CCI Liaison)

**7:50 P.M. CONSENT AGENDA**

- A. **Resolution No. 2601** Page 100  
A Resolution Of The City Of Wilsonville Adopting As A Concurring Party The Willamette Falls Locks "Section 106" Memorandum Of Agreement ("MOA") And Exhibits (staff – Ottenad)
- B. Minutes of the August 1, 2016 and August 15, 2016 Council Meetings Page 125  
(staff – King)

**7:55 P.M. CONTINUING BUSINESS**

- A. **Ordinance No. 795** – second reading Page 148  
An Ordinance Of The City Of Wilsonville Approving A Zone Map Amendment From The Public Facility (PF) Zone To The Village (V) ZONE On Approximately 3.2 Acres Located In The Villebois Village Center, West Of Villebois Drive North, South Of Future SW Paris Avenue. Comprising Tax Lot 2900 Of Section 15AC, T3S, R1W, Clackamas County, Oregon, Polygon WLH LLC, Applicant. (staff – Pauly)

8/29/2016 11:55 AM Last Updated

- B. **Ordinance No. 796** – second reading  
An Ordinance Making Certain Determinations And Findings Relating To And Approving  
The Coffee Creek Urban Renewal Plan And Directing That Notice Of Approval Be  
Published (staff – Kraushaar)

*Ordinance No. 796 will need to be continued to a date certain of Sept. 19, 2016. The ordinance is not included in this packet.*

**8:15 P.M. CITY MANAGER’S BUSINESS**

**8:20 P.M. LEGAL BUSINESS**

**8:25 P.M. ADJOURN**

Time frames for agenda items are not time certain (i.e. Agenda items may be considered earlier than indicated.) Assistive Listening Devices (ALD) are available for persons with impaired hearing and can be scheduled for this meeting if required at least 48 hours prior to the meeting. The city will also endeavor to provide the following services, without cost, if requested at least 48 hours prior to the meeting:-Qualified sign language interpreters for persons with speech or hearing impairments. Qualified bilingual interpreters. To obtain services, please contact the City Recorder, (503)570-1506 or [king@ci.wilsonville.or.us](mailto:king@ci.wilsonville.or.us)



**CITY COUNCIL MEETING  
STAFF REPORT**

<b>Meeting Date:</b> September 8, 2016		<b>Subject: Community Development Fund Financial Review</b>  <b>Staff Member:</b> Susan Cole, Finance Director; Nancy Kraushaar, Community Development Director <b>Department:</b> Community Development	
<b>Action Required</b>		<b>Advisory Board/Commission Recommendation</b>	
<input type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 <sup>st</sup> Reading Date: <input type="checkbox"/> Ordinance 2 <sup>nd</sup> Reading Date: <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda		<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable  <b>Comments:</b> Review of the CD Fund financial sustainability report.	
<b>Staff Recommendation:</b> Discussion and direction.			
<b>Recommended Language for Motion:</b> NA			
<b>Project / Issue Relates To:</b> <i>[Identify which goal(s), master plans(s) your issue relates to.]</i>			
<input type="checkbox"/> Council Goals/Priorities	<input type="checkbox"/> Adopted Master Plan(s)	<input type="checkbox"/> Not Applicable	

**ISSUE BEFORE COUNCIL:**

Consideration of the financial sustainability review of the Community Development Fund, and discussion as to whether to restructure fees for planning permits.

**EXECUTIVE SUMMARY:**

The Community Development (CD) Fund has been established to function as an “enterprise fund”, whereby revenues corresponding with various business functions recover all costs associated with those functions, with the exception of a handful of tasks that have no clear source and are therefore subsidized by a transfer from the General Fund, such as Code Enforcement.

However, the Fund has no predictable and reliable revenue like a utility may have, and it is not housed in a larger fund that would back- stop shortfalls and provide stability. Further, the amount of the General Fund subsidy is currently not based on specific costs or tasks, but is an inflated amount from the original \$200,000 in FY 2011-12 that was provided for long-range planning. The nature of the Fund and the services it provides are susceptible to the economic climate, and the boom and bust cycles of development and capital improvements.

To achieve long-term financial sustainability, revenue recovery and the General Fund subsidy should become more strategic and deliberate, where functions either capture all of their costs through revenue, recover more than enough in order to subsidize other functions, or receive a General Fund subsidy where revenue recovery falls short either due to feasibility or due to over-riding policy goals.

Financial planning and annual budgeting for the CD Fund shows the draw-down of the CD Fund's fund balance, which is not financially sustainable. However, upon reviewing annual financial results, the fund balance draw-down is not as dramatic as seen in financial planning. This dynamic is mainly due to vacancies occurring, and hence the personnel services category of the budget under-spends its budget allotment. Additionally, revenues have periodically missed their budget target due to their unpredictable nature being based on development cycles. These dynamics have the effect of potentially masking structural issues with the Fund not strategically recovering its costs, and creates financial risk to the fund in the long-term.

The City engaged the consulting firm, FCS Group, to analyze the CD Fund in detail, in order to pinpoint where cost recovery could improve. The ultimate goal of the review is to provide reliability and predictability to the fund so that the City is prepared to meet the needs of the community.

The FCS Group's findings are summarized below, followed by suggested next steps.

### **Planning Division and Fees**

The Planning Division is responsible for issuing planning permits, current planning, long-range planning, code enforcement and general customer service. Revenue that supports these activities include planning permitting fees, charges to other City funds, charges to the Urban Renewal Agency, transfers from the City's General Fund, and as a last resort, fund balance from the CD Fund.

The FCS Group studied this division and found that the transfer from the General Fund and use of the CD Fund balance subsidize the activities of this division. Planning Permit Fees are recovering approximately 45% of the direct and indirect costs, which means the balance of costs to issue planning permits are covered by other aspects of the CD Fund, including Engineering Fees, charges to the capital program, General Fund, and the CD fund balance.

To put the CD Fund on a financially sustainable path, the Planning Permit Fees could be restructured to recover 100% of the direct and indirect costs to issue those permits. The result would be some fees would increase, while others would decrease, because the workload – and therefore associated costs – involved in issuing the various types of planning permits vary, and

the current fee structure over the course of time has diverged from cost recovery. The attached table illustrates individual planning permits and the current cost recovery, compared to 100% cost recovery. However, there may be policy reasons to subsidize certain permits, e.g., tree removal and historic preservation.

Additionally, surcharges on Planning Permits might be considered, such as a surcharge for technology to keep the permit system up to date, or a long-range planning surcharge to adequately fund those activities to help minimize the burden on the General Fund..

### **Engineering Division and Engineering Fees**

The Engineering Division is responsible for capital project design and management, project inspection and other related services for both public and private infrastructure. Revenue that supports these activities include engineering permits and fees, charges to the City's capital funds, and charges to the Urban Renewal Agency,

The FCS Group studied this division and found that in general, revenues cover the costs of activities within this division. In the particular year studied, FY 2015, FCS found that due to the volume of development in that year, fees and charges recovered more than the cost to provide service, with the net revenue accruing to the CD Fund fund balance. Unlike Planning Fees, which attempt to approximate work effort in their issuance, Engineering Fees are based on valuation of a project. Therefore, time has been tracked differently and it is not clear if all legal, finance and other city administrative costs have been included in the costs of issuance of Engineering Permits. Staff will continue to review Engineering Fees and refine efforts for tracking the costs associated with the issuance of these permits.

Additionally, this Division provides engineering and project management to the City's capital program. The review by FCS revealed that the budgeting method for recovering costs is a different method than how costs are actually recovered. The budget is based on certain percents of a project overall, whereas costs are actually recovered according to time spent. Because the CD Fund is structured to operate like an enterprise fund, it is important that the budget approximate actual costs that may be incurred, and so the budgeting methodology could be re-evaluated to approximate the time that will be spent.

### **Administration Division**

The Administration Division is responsible for providing leadership to the department, including the Building Inspection Program, coordinating with regional partners, facilitating economic development within the city, and managing the Urban Renewal Agency. Revenue sources that support these activities include charges to the Building Fund, charges to the City's capital funds, charges to the Urban Renewal Agency, and CD Fund fund balance.

The FCS Group studied this division and found that in general, revenues cover the costs of activities within this division, with the exception of FY 2014-15, where just over a third of the costs were covered by the fund balance of the CD Fund. In that year, regional coordination and other economic activities took place, which are not eligible to be charged to other sources.

### **Natural Resource and Stormwater Division**

This division is responsible for ensuring the long-term care of local natural resources such as streams and wetlands. Revenue sources that support these activities include stormwater management fees, charges to the City's capital program, charges to the Urban Renewal Agency, and the CD Fund fund balance.

The FCS Group studied this division and found that in general, revenues are falling short of covering the costs of activities within this division, and the CD fund balance has provided, on average, a 20% subsidy over the last five years. However, these activities in general should not require use of the CD Fund fund balance. Most likely this is due to a cumbersome time keeping system that has since been replaced. Going forward, staff will review and refine workload tracking to ensure proper cost recovery from appropriate sources.

### **Next Steps**

Going forward, the following steps are suggested to be undertaken to ensure the long-term financial sustainability of the CD Fund.

- Set policy governing the cost recovery goals of the Planning Permitting Fees.  
The review by the FCS Group concluded that the Planning Permitting Fees are recovering only 45% of their direct and indirect costs. A policy set by the City Council stating a system-wide average of cost recovery would be beneficial in guiding the setting of the various fees for permitting. The policy could set general parameters and allow for variables such as what neighboring jurisdictions charge and other goals and objectives the City would like to target. For example, the costs associated with some items may mean the fee could be price prohibitive to citizens, such as a tree permit or an appeal. In those cases, the policy would allow flexibility that the costs would not be 100% recovered by fees but instead receive a subsidy from another function or from the General Fund.

Additionally, a policy governing the setting of Planning Permitting Fees may allow for surcharges to be included, to fund items such as technological upgrades and long-range planning.

- Set policy governing the level of service provision for functions that are subsidized by the General Fund.  
The General Fund provides a subsidy to the CD Fund directly, as well as indirectly by funding activities through planning projects budgeted in the Capital Improvement Program (CIP). For the current fiscal year, 2016-17, the direct subsidy provided by the General Fund is \$267,000, in addition to CIP projects totaling \$355,000, for total General Fund support of \$622,000. This compares to the analysis by the consultant which approximated the CD Fund's need of General Fund support to be closer to \$1 million, to fund items such as code enforcement, any difference between the planning fee costs and revenues, and other non-development services. The City could continue with the current practice of budgeting a general, inflated direct subsidy to the fund in addition to funding long-range planning CIP projects, or could devise a more strategic policy of specific functions within the CD Fund that should be supported with

General Fund, including any permitting activities that do not recover their costs through permitting fees.

- Improve and monitor labor tracking, costing and budgeting to ensure labor costs are both budgeted and captured appropriately and charged to the relevant revenue sources.  
The CD Department recently replaced its time tracking software, which has greatly improved the allocation of labor costs to appropriate revenue sources on an actual basis. Currently, the method for costing labor – in the form of hourly rate calculations – is under review. Staff continues to evaluate the time tracking codes and the efficacy of the software and time record keeping procedures in order to ensure functions that are designed to recover costs do so. While recording actual time spent has improved, the budgeting of labor costs for certain functions is the next area of focus, including re-evaluating methods to forecast labor hours and labor costs.
- Determine policy guidelines for setting the CD Fund’s target fund balance, recognizing the influence of business cycles on revenues and that work related to certain revenue collection may carry forward into future fiscal periods.  
Currently, the City has a financial policy that the CD Fund should have a contingency set aside that equals 20% of operating expenditures. That equates to just under two-and-one-half months’ worth of expenditures. The City may want to re-evaluate this policy for this fund, and potentially increase it, in light of the relatively unpredictable revenue stream and the similarity of revenue sources that are driven by economic cycles. Another consideration for a fund balance policy would be a reserve goal for “core staffing”, to offset potential reductions during an economic set-back when revenues may drop off. Additionally, a fund balance policy may identify certain reserve set asides for future purchases, such as major technological upgrades.

**EXPECTED RESULTS:**

Results could include restructuring fees, modifying the General Fund subsidy, modifying internal procedures, and re-evaluating fund policies.

**TIMELINE:**

This effort has no specific timeline although the budget cycle would be a convenient timeframe for evaluating the General Fund subsidy and financial policies.

**CURRENT YEAR BUDGET IMPACTS:**

If fees are restructured during the current fiscal year, revenues may change.

**FINANCIAL REVIEW / COMMENTS:**

Reviewed by: SCole Date: 8/23/16

**ATTACHMENTS:**

- Planning Fee Scenarios
- Planning Fee Comparison
- Report: Community Development Fund Analysis and Sustainability Plan

**Planning Fee Comparison**

	Sherwood	Tualatin	Tigard	Oregon City	Beaverton	Portland	Clackamas County	Washington County (Urban)	Wilsonville Current	Current Best Fit Average
<b>Appeals</b>	\$250 or 50% of original fees	\$135 to \$1,425	\$292 to \$3,234	\$50 to \$3,426 + actual City Attorney fees	\$250 to \$1,463	\$250	\$250	\$250 to \$3,096	\$472 to \$1,132	\$236 to \$2,267
<b>Architectural/Site Design Reviews</b>	\$661	\$55 to \$5,040		\$812	\$115 to \$4,051		\$135 to \$36,835		\$94 to \$377	\$310 to \$11,561
<b>Change of non-conforming use</b>	\$1,000	\$1,425	\$701	\$812 or per pulic request form		\$1,323 to \$4,620	\$635	\$635 to \$2,756	\$660	\$886 to \$3,688
<b>Comprehensive Plan Admendment</b>		\$2,090	\$10,755	\$4,332	\$5,333	\$6,500 to \$18,900 (includes zone map adj)	\$3,945		\$2,830 to \$6,980	\$5,051 to \$12,410
<b>Conditional use permits</b>	\$2,072 to \$4,145	\$1,425	\$701 to \$6,404	\$3,724	\$700 to 2,922	\$2,835 to \$14,700	\$3,945 to \$10,400		\$660 to \$2,264	\$1,995 to \$6,749
<b>Expedited Land Division</b>	\$550 to \$2,205	\$300	\$5,407	\$4,062 +407/lot	\$6,766			\$2,337	\$1,132 + \$19/lot to \$2,264 + \$38/lot	\$3,238 or \$2,314 +\$152/lot
<b>Final Plat Review partition</b>	\$550		\$1,076		\$897	\$800			\$189	\$697
<b>Final Plat Review Subdivision</b>	\$1,102		\$2,169		\$1,090	\$800/lot +\$600 if new street is added			\$755	\$1,160 to \$1,400
<b>Planned Unit Development Stage I</b>	\$2,205		\$9,068			\$2,756 to \$4,515		\$112 to \$4,737	\$1,509 to \$2,264	\$3,084 to \$3,724
<b>Planned Unit Development Stage II</b>	\$6,222 + \$100/10,000sq ft.		SDR fee or Subsidivision Fee +\$439 to \$2,706	\$2,031 to \$11,510; +.007, .005 or .003x project cost (max fee \$53,989)				\$426 to \$41,206	\$2,264 + \$283/net acre + \$19/unit or \$.028/sq ft	
<b>Stage II PDP Modification (Minor)</b>	\$276		\$701	\$348		\$2,415 to \$4,095		\$426	\$2,264	\$1,014 to \$4,095
<b>Stage II PDP Modification (Major)</b>	\$1,010 to \$2,675		\$5,434 or \$7,059 +\$6/\$10k over \$1m						\$3,183	\$3,776
<b>Subdivision</b>	\$6,222 + \$20/lot	\$2,700 +\$135 to \$340	\$6,273 +\$93/lot; \$2,169 to \$8,682	\$4,064 +\$338/lot	\$4,276 +\$98/lot	\$2,200 +\$500/lot +\$1,200 for new street; \$2,900 + \$1,500/lot + \$1,800 for new street	\$2,600 or \$5,090 +\$45/lot	\$1,320 to \$70,351	\$1,509 +283/net acre + \$19/lot	\$3,539 + \$309/lot
<b>Tree Removal Permit</b>	\$50 to \$107; \$25 + \$10/additional tree	\$290 to \$315	\$675 to \$2,602	\$303 per tree	\$49 to \$1,463	\$1,365 to \$4,410		\$213 to \$2,124	\$19 to \$660 and \$94 + \$9/ree to \$189 + \$9/tree	\$380 to \$1,654 +\$9/tree
<b>Signs Permits and Review (Except Temporary Signs)</b>	\$150	\$8 to \$675	\$61 to \$92	\$172 +5% sign construction cost	\$83	\$157 to \$468 or \$1.01/sq ft.			\$94 to \$1,132	\$102 to \$549
<b>Temporary Use and Sign Permits</b>	\$335	\$50 to \$1,530	\$61 to \$343		\$36 to \$702	\$33 to \$69	\$125 to \$504	\$213 to \$1,586	\$59 to \$943	\$113 to \$791

Planning	Estimated Permit Volume	Actual Fee				Fee Exceptions	Revenue - FY 14/15	Calculated Actual Fee Revenue*	Fee Revenue - 75% Scenario	Fee Revenue - 100% Scenario
		Current Fee	Fee - 75% Scenario	Fee - 100% Scenario	Fee					
Administrative Review - Class I	56	\$ 190	\$ 253	\$ 337		\$ 8,936	\$ 10,640	\$ 14,149	\$ 18,866	
Administrative Review - Class II	10	666	1,091	1,455		5,605	6,660	10,911	14,548	
Annexation (+Metro)	1	2,851	3,275	4,367		2,400	2,851	3,275	4,367	
Appeals - Administrative Decision or Interpretation	1	475	764	764	764	400	475	764	764	
Appeals - DRB or Planning Commission Action	0	950	6,919	6,919	6,919	-	-	-	-	
Appeals - Referee Decision (expedited land division)	0	1,141	1,907	1,907	1,907	-	-	-	-	
Architectural Review (Villebois) - Single Family	305	381	175	233		97,600	116,205	53,338	71,117	
Architectural Review (Villebois) - Multi-family per Unit	8	95	4	5		640	760	30	39	
Change of non-conforming use	0	666	756	1,008		-	-	-	-	
Comprehensive Plan Amendment - Legislative text	0	3,802	7,121	9,495		-	-	-	-	
Comprehensive Plan Amendment - Legislative text with BM 56 notice	0	7,033	7,758	10,344		-	-	-	-	
Comprehensive Plan Amendment - Legislative map	0	3,802	4,801	6,401		-	-	-	-	
Comprehensive Plan Amendment - Legislative map with BM 56 notice	0	7,033	5,438	7,251		-	-	-	-	
Comprehensive Plan Amendment - Quasi-judicial map	1	2,851	2,336	3,115		2,400	2,851	2,336	3,115	
Comprehensive Plan Amendment - Quasi-judicial map with BM 56 notice	0	6,083	3,470	4,627		-	-	-	-	
Conditional Use Permit - Accessory Use to SFD in Willamette River Greenway	0	666	1,280	1,707		-	-	-	-	
Conditional Use Permit - All Others	1	2,281	1,899	2,532		1,920	2,281	1,899	2,532	
Expedited Land Division - Under ORS 197	0	1,141	756	1,008		-	-	-	-	
Expedited Land Division - Under ORS 197 per lot	0	19	19	19	19	-	-	-	-	
Expedited Land Division - Villebois	0	*Double Applicable Fee*	-	-		-	-	-	-	
Expedited Land Division - Villebois per lot	0	*Double Applicable Fee*	-	-		-	-	-	-	
Final Plat Review Fee - Partition	5	190	1,734	2,312		800	950	8,670	11,561	
Final Plat Review Fee - Subdivision	4	760	3,723	4,965		2,560	3,040	14,894	19,858	
Parks Plan Review Fee	0	594	3,916	5,221		-	-	-	-	
Planned Unit Development - Stage I Residential	4	1,520	1,537	2,049			6,080	6,146	8,195	
Planned Unit Development - Stage I Commercial	4	1,520	1,537	2,049		17,920	6,080	6,146	8,195	
Planned Unit Development - Stage I Industrial	3	1,520	1,591	2,121			4,560	4,772	6,363	
Planned Unit Development - Stage I Public	3	1,520	1,537	2,049			4,560	4,610	6,146	
Planned Unit Development - Stage I Villebois SAP (Per Resolution 1896)	0	2,281	1,702	2,270		-	-	-	-	
Planned Unit Development - Stage I Villebois SAP Modification	7	1,520	2,179	2,906		8,960	10,640	15,255	20,340	
Planned Unit Development - Stage II Residential Base	1	2,281	7,272	9,696			2,281	7,272	9,696	
Planned Unit Development - Stage II Residential additional per net acre for all sites >2 acres	0	285	285	285	285		-	-	-	
Planned Unit Development - Stage II Residential additional per net acre for all sites >2 acres per unit	0	19	19	19	19		-	-	-	
Planned Unit Development - Stage II Commercial Base	1	2,281	7,272	9,696			2,281	7,272	9,696	
Planned Unit Development - Stage II Commercial additional per net acre for all sites >1 acres	0	285	285	285	285		-	-	-	
Planned Unit Development - Stage II Commercial additional per net acre for all sites >1 acres per sq ft for all bldgs >5,000 sq ft	0	0.029	0.029	0.029	0.029		-	-	-	
Planned Unit Development - Stage II Industrial Base	1	2,281	7,326	9,768			2,281	7,326	9,768	
Planned Unit Development - Stage II Industrial additional per net acre for all sites > 2 acres	0	285	285	285	285		-	-	-	
Planned Unit Development - Stage II Industrial additional per net acre for all sites > 2 acres per sq ft for all bldgs > 10,000 sq ft	0	0.029	0.029	0.029	0.029	29,220	-	-	-	
Planned Unit Development - Stage II Public Base	1	2,281	7,380	9,840			2,281	7,380	9,840	
Planned Unit Development - Stage II Public additional per net acre for all sites > 5 acres	0	285	285	285	285		-	-	-	
Planned Unit Development - Stage II Public additional per net acre for all sites > 5 acres per sq ft for all bldgs > 25,000 sq ft	0	0.029	0.029	0.029	0.029		-	-	-	
Planned Unit Development - Stage II Villebois PDP Base	6	2,281	7,442	9,923			13,686	44,651	59,535	
Planned Unit Development - Stage II Villebois PDP additional per net acre for all sites > 2 acres	0	285	285	285	285		-	-	-	
Planned Unit Development - Stage II Villebois PDP additional per net acre for all sites > 2 acres per lot	0	19	19	19	19		-	-	-	
Planned Unit Development - Stage II PDP Modification (Minor)	0	2,281	3,520	4,693			-	-	-	
Planned Unit Development - Stage II PDP Modification (Major)	0	3,208	332	442			-	-	-	
Planned Unit Development - Stage II Mixed Use Bldgs Base	1	2,281	7,442	9,923			2,281	7,442	9,923	
Planned Unit Development - Stage II Mixed Use Bldgs Additional	0	*formula*	-	-			-	-	-	
Preapplication Conference - Residential <50 lots/units	7	190	800	800	800	1,120	1,330	5,598	5,598	
Preapplication Conference - Residential = to or > 50 lots/units	2	381	800	800	800	640	762	1,599	1,599	
Preapplication Conference - Other Signs only	0	190	145	145	145	-	-	-	-	
Preapplication Conference - Other Single bldg, <100,000 sq ft	9	475	661	661	661	3,600	4,275	5,947	5,947	
Preapplication Conference - All Others	0	760	836	836	836	-	-	-	-	
Request for Special Meeting - Staff	0	285	-	-		-	-	-	-	
Request for Special Meeting - DRB or Planning Commission	0	1,141	1,941	2,588		-	-	-	-	
Request for Special Meeting - City Council	0	2,281	2,142	2,856		-	-	-	-	
Request for Time Extension - Administrative	0	95	95	95	95	-	-	-	-	
Request for Time Extension - DRB Review: First Extension	1	475	475	475	475	400	475	475	475	
Request for Time Extension - DRB Review: Second Extension	0	950	950	950	950	-	-	-	-	
Request for Time Extension - DRB Review: Third Extension	0	1,901	1,901	1,901	1,901	-	-	-	-	
Request to Modify Conditions of Approval - Administrative	0	475	696	928		-	-	-	-	
Request to Modify Conditions of Approval - DRB Review	0	1,141	1,787	2,383		-	-	-	-	
Request to Modify Conditions of Approval - City Council	0	1,141	2,533	3,377		-	-	-	-	
Review of Bldg Permit Application (Deck/Garage/Carport/etc.)	0	119	197	262		-	-	-	-	
Review of Bldg Permit Application - All other Residential	342	190	239	319		54,720	64,980	81,865	109,154	
Review of Bldg Permit Application - All other	9	615	707	943		36,960	5,535	6,367	8,490	

Planning	Estimated Permit Volume	Page 8 of 176 Fee - 75% Fee - 100%			Actual Fee Revenue - FY 14/15	Calculated Actual Fee Revenue*	Fee Revenue - 75% Scenario	Fee Revenue - 100% Scenario
		Current Fee	Scenario	Scenario				
SROZ Review - Verification of Boundary Abbreviated	0	95	295	394	-	-	-	-
SROZ Review - Verification of Boundary Standard	0	190	366	487	-	-	-	-
SROZ Review - SRIR Review Abbreviated	0	570	421	562	-	-	-	-
SROZ Review - SRIR Review Standard	0	1,426	1,193	1,590	-	-	-	-
SROZ Review - Review Mitigation Monitoring Report	0	143	356	475	-	-	-	-
Signs Permits and Review (Except Temporary Signs) - Class I Sign Permit	35	190	121	161	5,600	6,650	4,238	5,650
Signs Permits and Review (Except Temporary Signs) - Minor Adjustment as Part of Class I Sign Permit	0	95	22	29	-	-	-	-
Signs Permits and Review (Except Temporary Signs) - Class II Sign Permit	5	475	809	1,078	2,000	2,375	4,044	5,392
Signs Permits and Review (Except Temporary Signs) - Class III Sign Permit	3	666	1,204	1,605	1,680	1,998	3,612	4,816
Signs Permits and Review (Except Temporary Signs) - Master Sign Plan	0	1,141	1,007	1,343	-	-	-	-
Site Design Review	9	1,520	3,864	5,152	10,242	13,680	34,775	46,367
Staff interpretation (written) - Without public notice (including zone compliance letter)	0	190	383	511	-	-	-	-
Staff interpretation (written) - With public notice	1	666	2,492	3,323	560	666	2,492	3,323
Street Vacation	0	2,281	2,986	3,982	-	-	-	-
Temporary Use and Sign Permits - Class I < 15 days	9	95	66	88	720	855	595	794
Temporary Use and Sign Permits - Class I 15 - 30 days	4	190	66	88	640	760	265	353
Temporary Use and Sign Permits - Class I Annual Event Signs	2	59	66	88	100	118	132	176
Temporary Use and Sign Permits - Class II 31 - 60 days	1	285	411	548	240	285	411	548
Temporary Use and Sign Permits - Class II 61 - 120 days (signs only)	1	381	411	548	320	381	411	548
Temporary Use and Sign Permits - Class II 61 - 120 days (other temporary uses, may incorporate concurrent sign)	4	950	461	614	3,200	3,800	1,843	2,457
Temporary Use - DRB Review more than 120 days (non-sign temporary uses only)	0	950	2,644	3,525	-	-	-	-
Tentative Plat Review - Partition Administrative Review	4	666	756	1,008	2,240	2,664	3,024	4,032
Tentative Plat Review - Partition DRB Review	0	1,520	1,591	2,121	-	-	-	-
Tentative Plat Review - Subdivision Residential Base	1	1,520	2,289	3,052	-	1,520	2,289	3,052
Tentative Plat Review - Subdivision Residential additional per net acre for all sites > 2 acres	0	285	-	-	-	-	-	-
Tentative Plat Review - Subdivision Residential additional per net acre for all sites > 2 acres per lot	0	19	-	-	-	-	-	-
Tentative Plat Review - Subdivision Commercial Base	1	1,520	2,289	3,052	-	1,520	2,289	3,052
Tentative Plat Review - Subdivision Commercial additional per net acre for all sites > 1 acres	0	285	-	-	-	-	-	-
Tentative Plat Review - Subdivision Commercial additional per net acre for all sites > 1 acres per lot	0	19	-	-	-	-	-	-
Tentative Plat Review - Subdivision Industrial Base	1	1,520	2,289	3,052	7,908	1,520	2,289	3,052
Tentative Plat Review - Subdivision Industrial additional per net acre for all sites > 5 acres	0	285	-	-	-	-	-	-
Tentative Plat Review - Subdivision Industrial additional per net acre for all sites > 5 acres per lot	0	19	-	-	-	-	-	-
Tentative Plat Review - Subdivision Public Base	1	1,520	2,289	3,052	-	1,520	2,289	3,052
Tentative Plat Review - Subdivision Public additional per net acre for all sites > 10 acres	0	285	-	-	-	-	-	-
Tentative Plat Review - Subdivision Public additional per net acre for all sites > 10 acres per lot	0	19	-	-	-	-	-	-
Tree Permit - Type A 3 or fewer	131	19	22	22	2,096	2,489	2,889	2,889
Tree Permit - Type B or C 3 or fewer	7	95	300	400	-	665	2,098	2,797
Tree Permit - Type B or C 4 - 10	7	95	418	557	-	665	2,925	3,900
Tree Permit - Type B or C 4 - 10 per tree	0	10	14	19	-	-	-	-
Tree Permit - Type B or C 11 - 25	6	143	867	1,156	9,456	858	5,201	6,935
Tree Permit - Type B or C 11 - 25 per tree	0	10	14	19	-	-	-	-
Tree Permit - Type B or C 26 or more	6	190	933	1,244	-	1,140	5,598	7,464
Tree Permit - Type B or C 26 or more per tree	0	10	14	19	-	-	-	-
Tree Permit - Type D	0	950	562	750	-	-	-	-
Tree Permit - DRB Review of Type C Removal Plan	5	666	119	158	2,800	3,330	593	790
Variance - Administrative	0	666	756	1,008	-	-	-	-
Variance - DRB Review	2	2,281	4,530	6,041	3,840	4,562	9,061	12,081
Waiver - per waiver	6	190	828	1,104	960	1,140	4,967	6,623
Villebois Expedited Review	0	*Double Applicable Fee*	-	-	-	-	-	-
Villebois FDP	0	1,520	3,614	4,818	-	-	-	-
Zone Change - Legislative text	0	3,802	7,121	9,495	-	-	-	-
Zone Change - Legislative text with BM 56 notice	0	7,033	7,758	10,344	-	-	-	-
Zone Change - Legislative Map	0	3,802	4,801	6,401	-	-	-	-
Zone Change - Legislative Map with BM 56 notice	0	7,033	5,438	7,251	-	-	-	-
Zone Change - Quasi-judicial Map	4	1,520	2,336	3,115	5,120	6,080	9,345	12,460
Resolution 1896 - Rainwater Review Fee - Single family homes per unit	0	100	112	149	-	-	-	-
Resolution 1896 - Rainwater Review Fee - Multi family homes per unit	0	50	112	149	-	-	-	-
Resolution 1896 - Master planner property subject to LID - Single family per unit	0	210	-	-	-	-	-	-
Resolution 1896 - Master planner property subject to LID - Multi-family per unit	0	140	-	-	-	-	-	-
Resolution 1896 - Matrix property subject to LID - Single family per unit	0	900	-	-	-	-	-	-
Resolution 1896 - Matrix property subject to LID - Multi-family per unit	0	600	-	-	-	-	-	-
Resolution 1896 - Other properties in Villebois Urban Village - Single family per unit	0	1,200	-	-	-	-	-	-
Resolution 1896 - Other properties in Villebois Urban Village - Multi-family per unit	0	800	-	-	-	-	-	-
Zoning Verification Letter - NEW	0	-	532	709	-	-	-	-

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Planning	Estimated Permit Volume	Fee Scenario			Fee Exceptions	Actual Fee Revenue - FY 14/15			
		Current Fee	75% Scenario	100% Scenario		Calculated Actual Fee Revenue*	Fee Revenue - 75% Scenario	Fee Revenue - 100% Scenario	
Concept Plan - Initiated by Property Owner - NEW	0	-	16,526	22,034		-	-	-	-
Architectural Review (VB) - Multi-family per Building [Based on comments from Architectural Review (Villebois) - Multi-family per Unit]	0	-	56	74		-	-	-	-
Final Plat Review Fee - Partition - Per Legal Document [Based on feedback from Final Plat Review Fee - Partition]	0	-	-	-		-	-	-	-
Final Plat Review Fee - Subdivision - Per Legal Document [Based on feedback from Final Plat Review Fee - Subdivision]	0	-	-	-		-	-	-	-
Planned Unit Development - Stage I Modified [per feedback from Stage I permits]	0	-	1,790	2,387		-	-	-	-
Planned Unit Development - Stage II Modified [per feedback from Stage II permits]	0	-	4,235	5,647		-	-	-	-
Tree Permit - Type C 3 or fewer [per feedback from Tree permits]	7	95	264	352		-	665	1,848	2,464
Tree Permit - Type C 4 - 10 [per feedback from Tree permits]	7	95	604	806		-	665	4,231	5,641
Tree Permit - Type C 11 - 25 [per feedback from Tree permits]	6	143	687	916		-	858	4,123	5,497
Tree Permit - Type C 26 or more [per feedback from Tree permits]	6	190	720	960		-	1,140	4,321	5,761
<b>Total</b>	<b>1076</b>					<b>\$ 336,523</b>	<b>\$ 345,650</b>	<b>\$ 452,588</b>	<b>\$ 597,694</b>

**Note:** Fee revenue calculated above based only on rates in the fee chart above. Fees with incremental charges (e.g., charges per tree for tree permits) were not included in the analysis, per City staff.

**Note:** Fee values in bold italic text with green background indicate that the fee either receives a deeper discount than the fee scenario would indicate or the fee is left at the current City fee level. Based on direction from City staff.



City of Wilsonville

Community  
Development Fund  
Analysis and  
Sustainability Plan

August 2016



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August 16, 2016

Susan Cole  
Finance Director  
City of Wilsonville  
29799 SW Town Center Loop East  
Wilsonville, Oregon 97070  
Subject: Study

Dear Ms. Cole:

Attached is our final report for our Community Development Fund Analysis and Sustainability Plan. We want to thank you and all the City staff, especially Vania Heberlein, for their assistance and participation in helping us gather information for the study. If you have any questions, please feel free to contact me at (425) 867-1802 extension 228.

Sincerely,



Peter Moy  
Principal

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APPENDIX A: STAFF HOURS

APPENDIX B: FEE SURVEY COMPARISONS

## EXECUTIVE SUMMARY

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To support the Community Development Department's services and responsibilities for overseeing development in the City of Wilsonville, the City established two funds that support the Department: the Building Inspection Fund and the Community Development Fund. The Building Inspection Fund supports the traditional building services involving specialty plan and code review and building inspections for private development, while the Community Development Fund supports all the Department's other services that include current planning permits, long range planning, engineering plan review, code enforcement, infrastructure master planning, urban renewal, stormwater management, and capital project design, engineering, and construction. To assure that the Community Development Fund is sustainable, the City of Wilsonville initiated a study to develop an action plan to ensure the Fund's long term financial viability through appropriate cost recovery and General Fund support.

To evaluate the Community Development Fund's revenues and expenditures, several different analyses were performed to determine the following:

- ◆ Are current planning and engineering fees recovering the full cost of service?
- ◆ Do the different funding sources (e.g. capital project, stormwater, and urban renewal funds) match expenditures related to those funding sources?
- ◆ How much should the General Fund contribute?
- ◆ Are there process and policy changes that can improve the Department's financial management?

### FEE COST RECOVERY ANALYSIS

Based on the staff time profiles and the cost of service and cost recovery analyses, the City has opportunities to improve and make adjustments to its planning and engineering fees. Observations about these fee services show the following:

- ◆ Staff from all divisions are involved in processing current planning permits.
- ◆ Although Engineering staff are the primary staff involved with engineering permits, staff from Natural Resources can also participate in the engineering permit processes.
- ◆ Planning fees only recovered 45% of the FY 2015 full cost of service and did not even recover the direct costs associated with the planning permits. To meet City policy to recover the direct and indirect costs, the fee revenue should have recovered at least 75% of the full cost, although recovering 100% of the cost would be preferred.
- ◆ Slightly more than half of the individual planning fees are recovering less than the overall 45% cost recovery level.
- ◆ For the highest volume planning permits the analysis shows the following:
  - Architectural Review Villebois – Single Family has a \$320 FY 2015 fee with a cost of service at \$233 for a 137% cost recovery.

- Review of Building Permit Application – All other Residential has a \$160 FY 2015 fee with a cost of service at \$319 for a 50% cost recovery.
- Tree permit Type A for 3 or fewer has a \$16 FY 2015 fee with a cost of service at \$44 for a 36% cost recovery.
- ◆ Planning fee comparisons with the Hillsboro, Sherwood, Happy Valley, Tigard, and West Linn showed that the existing City fees are generally the lowest or close to the lowest compared to the cities surveyed. The City's cost of service fees are comparable to other cities surveyed except for two areas which have higher costs: sign permits and tree removal permits. Additionally, the City does not use construction value as a basis for determining permit fee costs as often as other cities. There were certain cases where there was either no comparable fee or the fees were not clearly comparable. Other findings include the following:
  - The City generally has more fees and a more comprehensive classification by fee category than other cities surveyed. For example, there are 10 proposed tree removal fees in the tree removal fee category whereas other cities have between two and four. These 10 categories are based on the type/quality and quantity of trees being removed. While other cities differentiate fee amounts by quantity of trees removed, there is rarely a fee differentiation based on the type/quality of tree being removed.
  - The administrative review fee is one of the most common fees and the hardest to compare to other fees. The cost of service fees are generally lower than the cities surveyed except for Tigard. Other fees are based on construction value whereas Wilsonville does not use construction value.
  - There are more planned unit development fees in Wilsonville than other cities, but the cost of service fees are generally of comparable scale.
  - Broadly, sign and tree removal permits are more expensive (both existing and cost of service) and more finely differentiated in Wilsonville than in other cities.
  - Only two of the five cities had cost recovery goals: 100% overall and 100% for large complex reviews and 50% for lesser reviews.
- ◆ Engineering fees recovered more than the FY 2015 full cost of service, but most of the revenue is from engineering plan review and inspection fees, which are based on valuation and not time and materials like Planning's fixed fees.

## MATCHING FUND SOURCES TO FUND EXPENDITURES

Based on a comparison of the staff time profiles, the calculated cost of services, and the funding sources providing support for the different services, there was an overall imbalance between the FY 2015 costs of services provided by the different divisions and the revenue sources supporting each division.

- ◆ For Planning, General Fund activities and services for long range planning and code amendments represented about 30% of the costs, but General Fund revenues only represented about 27% of the revenues. Other General Fund services such as code enforcement represented about 2.5% and were supported by CD Fund reserves.
- ◆ Engineering's capital project costs represented 61% of the division's costs, but only 56% of the revenue came from the interfund charges and urban renewal funds.
- ◆ For Economic Development/Urban Renewal, 48% of the costs are related to economic development and urban renewal, but urban renewal funds provided only 37% of the revenues and CD reserves needed to offset the costs associated with planning permits and long range planning services provided by the Economic Development/Urban Renewal staff.

- ◆ For Natural Resources, stormwater services represented 75% of the costs, but the Stormwater Fund only provided 43% of the revenue.

## GENERAL FUND CONTRIBUTION

Besides the other funding sources, the General Fund contribution is a significant funding source because it is not necessarily limited to specific expenditures like capital project funds, urban renewal funds, fee revenues, and stormwater funds. In FY 2015, CD reserves supported services that would normally be supported by the General Fund, such as code enforcement and planning activities, because they do not have a specific revenue source. In addition, when fees do not recover the full cost of service, the General Fund should subsidize the difference. In FY 2015, the General Fund provided \$236,000 for various planning activities and other functions, in addition to approximately \$50,000 for long-range planning from the capital program. Besides long range planning, there are a number of other services and activities that should be funded by the General Fund. These services include code enforcement, franchise utilities, emergency planning, and other non-development services as well as the difference between the planning fee costs and revenues. If these were to be funded by the General Fund, the General Fund should have contributed about \$1 million instead of the \$286,000.

## PROCESS AND POLICY IMPROVEMENTS

There are two significant process areas that are critical to improving cost recovery and revenues. The timekeeping system and the hourly rate calculations represent the foundation for other improvements because they provide the basis for identifying the services provided and the cost and revenues associated with those services. Workload and revenue forecasting are the other management and operational tools that might help the CD Fund's management. Timekeeping improvements included the following:

- ◆ Modeling improvements;
- ◆ Assumption changes;
- ◆ Inclusion of all costs; and
- ◆ Options for using different hourly rates by position or division.

To improve the workload and revenue forecasting, the following improvements are needed:

- ◆ In conjunction with the Department's Building Division, both Planning and Engineering should work with the major developers, especially the Villebois developers, to determine and estimate the volume and value of the Building and Planning permits anticipated in the coming fiscal year. The building valuation is especially critical for Engineering because its plan check and inspection fees are based on valuation which is also how Building fees are calculated. There should be some consistency between the two revenue sources. Engineering permit fees have been substantially underestimated by almost 90% over the past two fiscal years. In contrast, the Building Inspection Fund's actual FY 2015 permit revenues were only higher than the budget forecast by about 5%, or \$57,100. For Planning, the number of anticipated planning type permits also needs to be forecasted especially since the largest volume of permits processed relate to Villebois and other single family homes. Based on the position and processing times identified in this report, the number of staff hours needed to process the various permits can then be calculated.
- ◆ For the Engineering, Economic Development, and Natural Resources staff, capital project work represents a significant amount of their time and effort. As part of an overall workload planning effort, the capital projects and the urban renewal projects and plans also need to be identified,

and each project should have staff hours assigned to each project based on realistic assumptions about the status and phasing of each project.

- ◆ The Stormwater Fund should provide enough funding to support the general Natural Resources staff activities associated with stormwater issues and services separate from any capital projects.
- ◆ The City has opportunities to establish reserve policies relating to CD Fund reserves and can provide for various contingencies and major purchases by applying various surcharges.

## RECOMMENDATIONS

To make the Community Development Fund more sustainable in the future, the City should initiate several actions to establish cost recovery and General Fund subsidy levels, improve financial management tools related to its hourly rate model and its revenue and workload forecasting, and implement revenue enhancements and increase fund reserves. The recommendations are as follows:

- ◆ Determine the level of cost recovery desired for planning and engineering permits recognizing that anything less than 100% cost recovery might require General Fund support.
- ◆ Make changes to the hourly rate model and methodology as identified to implement new rates for the coming fiscal year.
- ◆ Identify the specific time categories needed to provide more accurate time keeping and hourly charges.
  - Clearly separate planning permit and engineering permit categories from each other and from capital projects;
  - Identify and categorize General Fund services as a group or as individual services such as long range planning, code enforcement, and franchise utility permitting;
  - Continue to separately identify urban renewal and stormwater operational activities; and
  - Establish written guidelines on use of the time categories and other time categories.
- ◆ Improve the workload and revenue forecasting processes and methodologies.
  - Work with the Building Division and key development stakeholders to determine permit workload and revenue forecasts;
  - Review the capital projects to determine appropriate and realistic phasing and staffing requirements either as budgeted or as modified;
  - Establish a staffing model for each division showing the estimated hours or FTE's devoted to the various services based on the permit, capital project, and other division work plan items for all divisions; and
  - Use the standard hours identified for this study to determine the staff hours needed to process the estimated number of planning permits.
- ◆ Based on the staffing and workload forecast, match the costs with the appropriate funding sources.
  - Clearly identify General Fund, Urban Renewal, and Stormwater activities and any fee or cost subsidies.
- ◆ Implement a technology surcharge and as part of the CD Fund fund balance establish a technology reserve to pay for technology improvements that support the permitting processes and services.

- ◆ Consider implementing a long range planning surcharge to support a portion of the long range planning costs, but only apply the surcharge on planning fees.
- ◆ Consider as a long term goal to develop a core staffing or contingency reserve to offset potential staffing reductions during economic downturns or deficit years.
- ◆ Determine the amount of deferred workload and revenue if the permit system is capable of tracking such revenues and permit activity. This is especially important when permit fees exceed costs.
- ◆ Budget and charge the time and costs for managing traffic studies as part of capital projects.
  - As an alternative, begin tracking time specifically for traffic studies and other similar studies and determine the feasibility of a percentage project management fee that can be applied on a sliding scale depending on the cost of the study.

## CHAPTER I: INTRODUCTION

---

To assure that its Community Development Fund is sustainable, the City of Wilsonville wanted to develop an action plan to ensure the Fund's long term financial viability through appropriate cost recovery and appropriate General Fund support. In addition to the City's Building Inspection Fund, the Community Development Fund supports the Community Development Department's (CD) programs and services. The City engaged FCS GROUP to analyze the Fund's current finances and make recommendations that will help the City improve the Fund's financial management and sustainability. The City's scope of work involved the following key elements.

- ◆ Identify and analyze the total costs and the cost recovery of the Fund's fee services;
- ◆ Determine the total costs of providing engineering, planning, urban renewal, natural resource, and stormwater services;
- ◆ Identify the appropriate fee, General Fund, or other funding sources to support CD's services;
- ◆ Identify effective budgeting and forecasting techniques;
- ◆ Review data capture methods, especially related to timekeeping;
- ◆ Develop financial reserve policies; and
- ◆ Make recommendations to improve the Fund's long term sustainability.

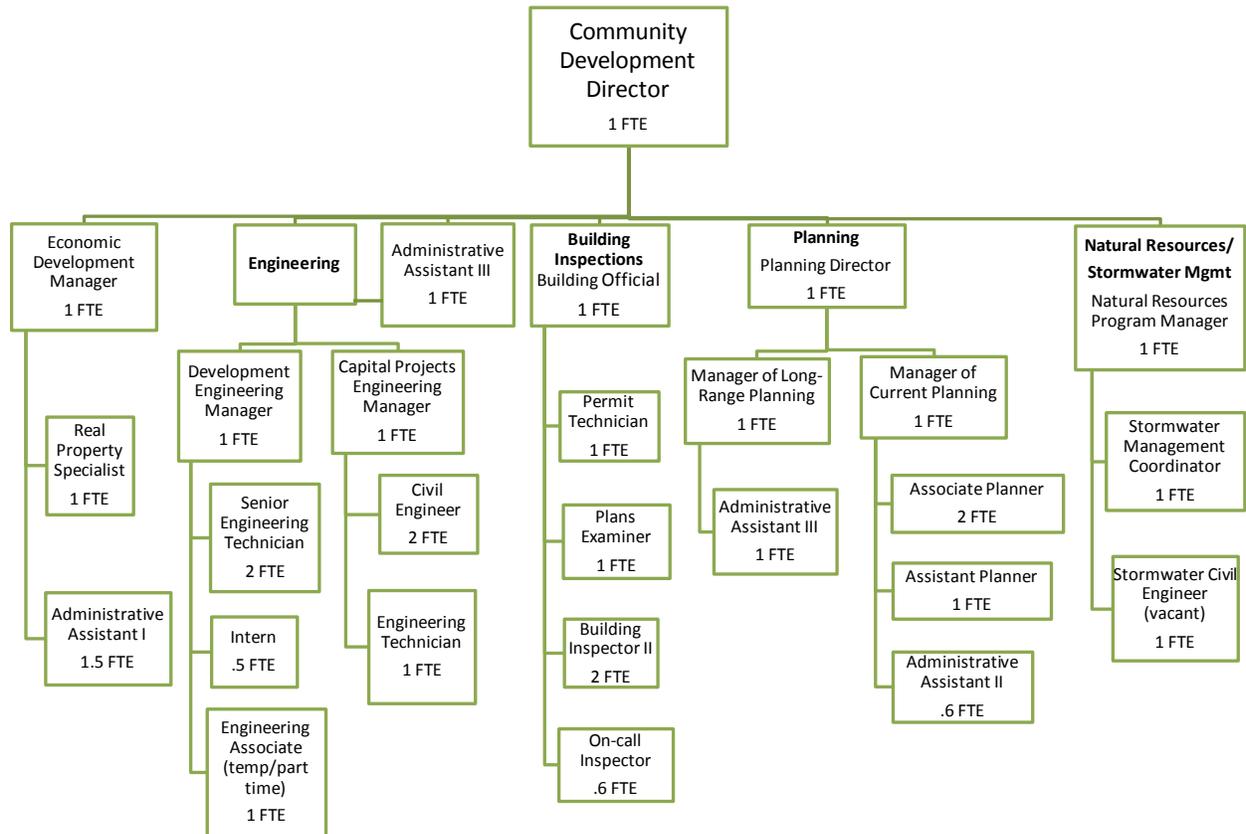
The process used for collecting and analyzing the data required active participation by all the staff supported by the Community Development Fund. We also want to take the opportunity to recognize the time, participation, and effort that Vania Heberlein devoted to the study and to scheduling and organizing the meetings and data gathering.

### COMMUNITY DEVELOPMENT DEPARTMENT BACKGROUND

Prior to FY 2003-2004 the Community Development Department was included as part of the General Fund. The Community Development Fund was established in FY 2003-2004 and included Community Development Administration, Building, Planning, Engineering, Stormwater Management/Natural Resources and Urban Renewal Administration. In FY 2014-15 (FY 2015) the City established a separate Building Inspection Fund to support only the Building functions and services. Primary revenue sources for the Community Development Fund include the engineering and planning land use development and permit fees, capital project funds, and the stormwater fund as well as charges for services from and to the Building Inspection Fund and the Urban Renewal Agency. The CD Fund was created to be self-supporting.

The Community Development (CD) Fund accounts for services devoted to envisioning, planning and building the community. CD Administration, Planning, Engineering, Stormwater and Natural Resource Management, and Urban Renewal Administration are supported by this fund. Exhibit 1 shows the Department's organization.

**Exhibit 1**  
**City of Wilsonville – Community Development Fund Organizational Chart**



The FY 2015-16 (FY 2016) Proposed Budget for the CD Fund, including reserves and contingencies, is about \$3.4 million. Exhibit 2 shows the overall budgets for the different CD divisions.

**Exhibit 2  
 FY 2016 Proposed Budget by Division**

<b>Revenues</b>	<b>Budget</b>
Permits	\$669,200
Charges for Services	\$31,603
Villebois Master Plan Fee	\$40,000
Stormwater Fund	\$275,196
Interfund Charges	\$1,517,871
Urban Renewal Charges	\$643,200
General Fund Revenues	\$243,000
CD Fund Reserves	\$38,427
<b>Total</b>	<b>\$3,458,497</b>

<b>Expenditures by Division</b>	<b>Budget</b>
Planning	\$957,037
Engineering	\$1,280,925
Administration/Economic Development	\$748,510
Natural Resources	\$411,316
<b>Total</b>	<b>\$3,397,788</b>
Surplus/ (Deficit)	\$60,709

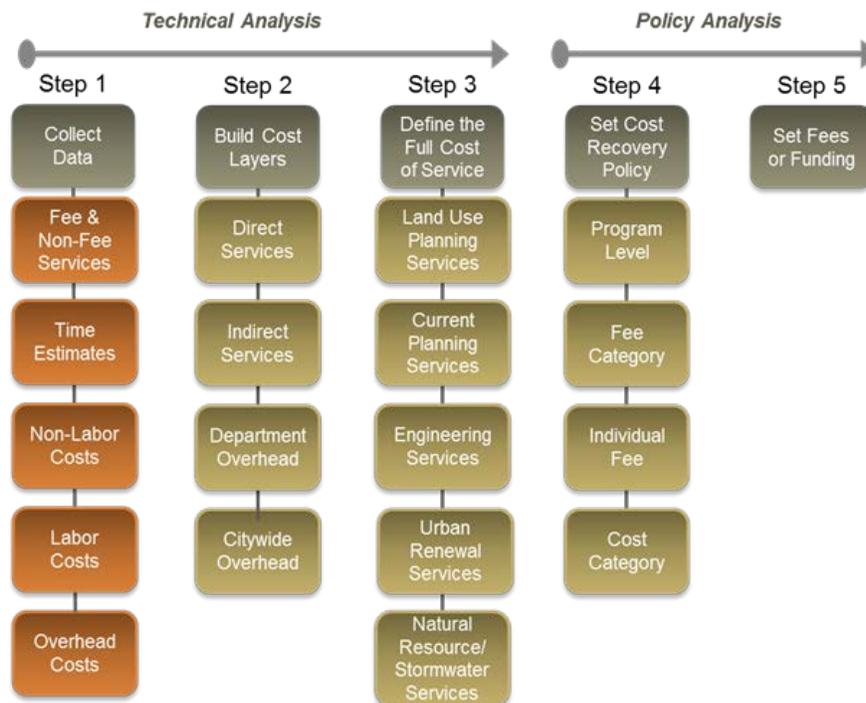
The following chapters discuss the cost of service and fee cost recovery analysis, each division's historic trends and finances, CD Fund issues and best practices, and our observations and strategy recommendations.

# CHAPTER II: COST OF SERVICE AND FEE METHODOLOGY

One of the major functions of the Community Development Department is to regulate and oversee private development. Like most cities, the City requires various permits to address construction, land use, and engineering issues and impacts resulting from such development. For FY 2015 such fees represented about 29% of the CD Fund’s revenues. A key component of this sustainability plan is to determine whether the fees cover the cost of service, and if they do not, how much General Fund support should be used to subsidize the costs of processing land use and engineering permits.

To conduct the cost of service and cost recovery analysis, a defined task plan was followed as outlined below in Exhibit 3. The methodology identifies both the labor and non-labor resources that are required to perform the services and activities and analyzes the cost of service for each of the fee and non-fee services performed by the CD Fund divisions. The analysis provides the City’s elected officials, management, and CD staff with the opportunity to determine the cost basis for the services and the fees.

**Exhibit 3  
Cost of Service and Fee Methodology**



**Step 1: Collect Data** – The data collection phase is the critical step that establishes the parameters of the cost of service and fee analyses. The first part of the data collection process involved taking an inventory

of the different CD Fund services that should be included in the study. Services with fees or specific customers were included as well as the support activities related to the overall operations. Exhibits 4 and 5 show the list of the fee services and activities identified by CD management and staff. Asterisked (\*) fee services represent services currently provided by the City at no charge or a potential revision to the fee structure suggested by the CD staff.

#### **Exhibit 4 Planning Fee Services**

- ◆ Administrative Review - Class I
- ◆ Administrative Review - Class II
- ◆ Annexation (+Metro)
- ◆ Appeals - Administrative Decision or Interpretation
- ◆ Appeals - DRB or Planning Commission Action
- ◆ Appeals - Referee Decision (expedited land division)
- ◆ Architectural Review (Villebois) - Single Family
- ◆ Architectural Review (Villebois) - Multi-family per Unit
- ◆ Change of non-conforming use
- ◆ Comprehensive Plan Amendment - Legislative text
- ◆ Comprehensive Plan Amendment - Legislative text with BM 56 notice
- ◆ Comprehensive Plan Amendment - Legislative map
- ◆ Comprehensive Plan Amendment - Legislative map with BM 56 notice
- ◆ Comprehensive Plan Amendment - Quasi-judicial map
- ◆ Comprehensive Plan Amendment - Quasi-judicial map with BM 56 notice
- ◆ Conditional Use Permit - Accessory Use to SFD in Willamette River Greenway
- ◆ Conditional Use Permit - All Others
- ◆ Expedited Land Division - Under ORS 197
- ◆ Expedited Land Division - Under ORS 197 per lot
- ◆ Expedited Land Division - Villebois
- ◆ Expedited Land Division - Villebois per lot
- ◆ Final Plat Review Fee - Partition
- ◆ Final Plat Review Fee - Subdivision
- ◆ Parks Plan Review Fee
- ◆ Planned Unit Development - Stage I Residential
- ◆ Planned Unit Development - Stage I Commercial
- ◆ Planned Unit Development - Stage I Industrial
- ◆ Planned Unit Development - Stage I Public
- ◆ Planned Unit Development - Stage I Villebois SAP (Per Resolution 1896)
- ◆ Planned Unit Development - Stage I Villebois SAP Modification
- ◆ Planned Unit Development - Stage II Residential Base
- ◆ Planned Unit Development - Stage II Residential additional per net acre for all sites >2 acres
- ◆ Planned Unit Development - Stage II Residential additional per net acre for all sites >2 acres per unit
- ◆ Planned Unit Development - Stage II Commercial Base
- ◆ Planned Unit Development - Stage II Commercial additional per net acre for all sites >1 acres
- ◆ Planned Unit Development - Stage II Commercial additional per net acre for all sites >1 acres per sq. ft. for all bldgs >5,000 sq. ft.
- ◆ Planned Unit Development - Stage II Industrial Base
- ◆ Planned Unit Development - Stage II Industrial additional per net acre for all sites > 2 acres
- ◆ Planned Unit Development - Stage II Industrial additional per net acre for all sites > 2 acres per sq. ft. for all bldgs > 10,000 sq. ft.
- ◆ Planned Unit Development - Stage II Public Base

- ◆ Planned Unit Development - Stage II Public additional per net acre for all sites > 5 acres
- ◆ Planned Unit Development - Stage II Public additional per net acre for all sites > 5 acres per sq. ft. for all bldgs > 25,000 sq. ft.
- ◆ Planned Unit Development - Stage II Villebois PDP Base
- ◆ Planned Unit Development - Stage II Villebois PDP additional per net acre for all sites > 2 acres
- ◆ Planned Unit Development - Stage II Villebois PDP additional per net acre for all sites > 2 acres per lot
- ◆ Planned Unit Development - Stage II PDP Modification (Minor)
- ◆ Planned Unit Development - Stage II PDP Modification (Major)
- ◆ Planned Unit Development - Stage II Mixed Use Bldgs Base
- ◆ Planned Unit Development - Stage II Mixed Use Bldgs Additional
- ◆ Preapplication Conference - Residential <50 lots/units
- ◆ Preapplication Conference - Residential = to or > 50 lots/units
- ◆ Preapplication Conference - Other Signs only
- ◆ Preapplication Conference - Other Single bldg, <100,000 sq. ft.
- ◆ Preapplication Conference - All Others
- ◆ Request for Special Meeting - Staff
- ◆ Request for Special Meeting - DRB or Planning Commission
- ◆ Request for Special Meeting - City Council
- ◆ Request for Time Extension - Administrative
- ◆ Request for Time Extension - DRB Review: First Extension
- ◆ Request for Time Extension - DRB Review: Second Extension
- ◆ Request for Time Extension - DRB Review: Third Extension
- ◆ Request to Modify Conditions of Approval - Administrative
- ◆ Request to Modify Conditions of Approval - DRB Review
- ◆ Request to Modify Conditions of Approval - City Council
- ◆ Review of Bldg Permit Application (Deck/Garage/Carport/etc.)
- ◆ Review of Bldg Permit Application - All other Residential
- ◆ Review of Bldg Permit Application - All other
- ◆ SROZ Review - Verification of Boundary Abbreviated
- ◆ SROZ Review - Verification of Boundary Standard
- ◆ SROZ Review - SRIR Review Abbreviated
- ◆ SROZ Review - SRIR Review Standard
- ◆ SROZ Review - Review Mitigation Monitoring Report
- ◆ Signs Permits and Review (Except Temporary Signs) - Class I Sign Permit
- ◆ Signs Permits and Review (Except Temporary Signs) - Minor Adjustment as Part of Class I Sign Permit
- ◆ Signs Permits and Review (Except Temporary Signs) - Class II Sign Permit
- ◆ Signs Permits and Review (Except Temporary Signs) - Class III Sign Permit
- ◆ Signs Permits and Review (Except Temporary Signs) - Master Sign Plan
- ◆ Site Design Review
- ◆ Staff interpretation (written) - Without public notice (including zone compliance letter)
- ◆ Staff interpretation (written) - With public notice
- ◆ Street Vacation
- ◆ Temporary Use and Sign Permits - Class I < 15 days
- ◆ Temporary Use and Sign Permits - Class I 15 - 30 days
- ◆ Temporary Use and Sign Permits - Class I Annual Event Signs
- ◆ Temporary Use and Sign Permits - Class II 31 - 60 days
- ◆ Temporary Use and Sign Permits - Class II 61 - 120 days (signs only)

- ◆ Temporary Use and Sign Permits - Class II 61 - 120 days (other temporary uses, may incorporate concurrent sign)
- ◆ Temporary Use - DRB Review more than 120 days (non-sign temporary uses only)
- ◆ Tentative Plat Review - Partition Administrative Review
- ◆ Tentative Plat Review - Partition DRB Review
- ◆ Tentative Plat Review - Subdivision Residential Base
- ◆ Tentative Plat Review - Subdivision Residential additional per net acre for all sites > 2 acres
- ◆ Tentative Plat Review - Subdivision Residential additional per net acre for all sites > 2 acres per lot
- ◆ Tentative Plat Review - Subdivision Commercial Base
- ◆ Tentative Plat Review - Subdivision Commercial additional per net acre for all sites > 1 acres
- ◆ Tentative Plat Review - Subdivision Commercial additional per net acre for all sites > 1 acres per lot
- ◆ Tentative Plat Review - Subdivision Industrial Base
- ◆ Tentative Plat Review - Subdivision Industrial additional per net acre for all sites > 5 acres
- ◆ Tentative Plat Review - Subdivision Industrial additional per net acre for all sites > 5 acres per lot
- ◆ Tentative Plat Review - Subdivision Public Base
- ◆ Tentative Plat Review - Subdivision Public additional per net acre for all sites > 10 acres
- ◆ Tentative Plat Review - Subdivision Public additional per net acre for all sites > 10 acres per lot
- ◆ Tree Permit - Type A 3 or fewer
- ◆ Tree Permit - Type B or C 3 or fewer
- ◆ Tree Permit - Type B or C 4 - 10
- ◆ Tree Permit - Type B or C 4 - 10 per tree
- ◆ Tree Permit - Type B or C 11 - 25
- ◆ Tree Permit - Type B or C 11 - 25 per tree
- ◆ Tree Permit - Type B or C 26 or more
- ◆ Tree Permit - Type B or C 26 or more per tree
- ◆ Tree Permit - Type C 3 or fewer\*
- ◆ Tree Permit - Type C 4 – 10\*
- ◆ Tree Permit - Type C 11 – 25\*
- ◆ Tree Permit - Type C 26 or more\*
- ◆ Tree Permit - Type D
- ◆ Tree Permit - DRB Review of Type C Removal Plan
- ◆ Variance - Administrative
- ◆ Variance - DRB Review
- ◆ Waiver - per waiver
- ◆ Villebois Expedited Review
- ◆ Villebois FDP
- ◆ Zone Change - Legislative text
- ◆ Zone Change - Legislative text with BM 56 notice
- ◆ Zone Change - Legislative Map
- ◆ Zone Change - Legislative Map with BM 56 notice
- ◆ Zone Change - Quasi-judicial Map
- ◆ Resolution 1896 - Rainwater Review Fee - Single family homes per unit
- ◆ Resolution 1896 - Rainwater Review Fee – Multi-family homes per unit
- ◆ Resolution 1896 - Master planner property subject to LID - Single family per unit
- ◆ Resolution 1896 - Master planner property subject to LID - Multi-family per unit
- ◆ Resolution 1896 - Matrix property subject to LID - Single family per unit
- ◆ Resolution 1896 - Matrix property subject to LID - Multi-family per unit

- ◆ Resolution 1896 - Other properties in Villebois Urban Village - Single family per unit
- ◆ Resolution 1896 - Other properties in Villebois Urban Village - Multi-family per unit
- ◆ Zoning Verification Letter\*
- ◆ Concept Plan - Initiated by Property Owner\*
- ◆ Architectural Review (VB) - Multi-family per Building\*
- ◆ Final Plat Review Fee - Partition - Per Legal Document\*
- ◆ Final Plat Review Fee - Subdivision - Per Legal Document\*
- ◆ Planned Unit Development - Stage I Modified\*
- ◆ Planned Unit Development - Stage II Modified\*

### **Exhibit 5 Engineering and Stormwater Fee Services**

- ◆ Engineering Plan Check Fee
- ◆ Administration and Inspection Fee
- ◆ Right-of-Way Permits - Under \$2,500
- ◆ Right-of-Way Permits - Over \$2,500
- ◆ Erosion Control Inspection Fee\*

The major effort for this step involved gathering and analyzing the time data to determine the number of hours worked by each CD employee to provide both their fee and non-fee services. With the services identified, the data collection effort focused on collecting budget and time data from all staff involved in the services and activities. The CD staff track their time, and based on the timekeeping data from Time Trax, time profiles showing how each employee spent his or her time were developed. In addition, staff focus group sessions were held with each staff group to estimate how much time is spent on each individual fee service. Based on the current fees and any additional new or revised fees, each fee service was discussed, and the processing times by position class were identified.

In addition to the time profiles, the data collection effort focused on collecting revenue and expenditure data. Labor costs were based on FY 2015 salary, wages, and benefits. The total annual hours were based on the CD staff time records, and for some of the staff they had more than the standard 2,080 hours. The actual available work time was calculated by deducting any leave hours and other time off from the total time. Each employee's hourly rate was calculated based on the employee's salary and benefits cost divided by the total available hours from their time profile. The employee time distributions can be found in Appendix A. To help identify the staff time spent and the costs associated with the different services, the time and the associated costs were divided into the following broad categories.

**Direct Services** – Services provided as the result of a project, permit application, or specific related activity and that are often tied to a specific fee (e.g. plan review). Also includes services that are provided directly for or to the public which are not fee-related.

**Indirect Services** – Services provided to support direct services (e.g. customer service, training and conferences, general administration, etc.) and that cannot be assigned to a specific project, application, activity, or request. The indirect services are based on CD's time keeping system which consolidates all these activities as administration.

**Overhead Services** – General management and administrative costs primarily related to Department administrative and overhead costs. Citywide indirect costs and allocations that support the divisions' operations and services are also included in this category.

**Step 2: Build Cost Layers** – The next stage in the process was to develop an analytical model for calculating the costs related to each fee category ( e.g. Planning and Engineering). The design and structure for the analytical model were based on the time, services, and activities identified in Step 1 that

were associated with each fee category, and the costs were identified as either direct, indirect, or overhead. Cost layers were developed for each fee category.

To build the cost layers, the staff time allocations for each activity in the major categories (i.e. direct, indirect, and overhead) were first priced at each individual staff member's loaded hourly rate. The loaded hourly rate for one staff member equals the person's annual salary and benefits divided by the available work hours (i.e. total annual hours minus leave). The analysis was done separately for all the services supported by the CD Fund based on each division's staff and the services provided. It should be noted that an engineer might work on a planning permit, and the time spent and the cost are included as part of the costs for the planning fee category. The direct costs in a fee category include the costs of all staff that identified time for those fees regardless of the staff member's assigned division (i.e. Planning, Engineering, Administration/Economic Development, or Natural Resources).

After the labor costs for each staff member and each service were calculated, the non-labor costs for the CD Fund were analyzed. As previously mentioned, the direct labor costs in each division were allocated to the different fee categories. Non-labor costs for a division were allocated between direct fee services, indirect services, and non-fee services in proportion to the level of staff time reported for each fee service. The Department's administrative costs were separately allocated to the different CD divisions and programs.

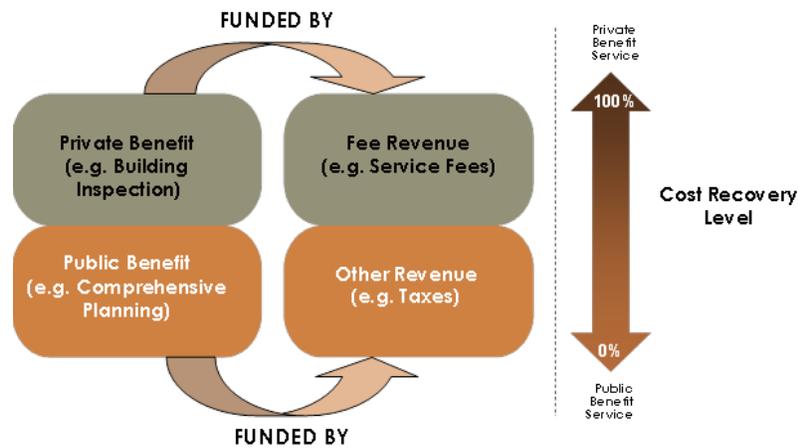
The CD Fund's Citywide overhead costs were also allocated as part of the non-labor cost allocations and were allocated directly to each division based on its proportion of FTEs in the division. Citywide overhead costs were classified as non-labor costs. Department Administration and Citywide Overhead costs for each fee service were then allocated between direct fee services and non-fee services in proportion to the level of staff time reported.

**Step 3: Determine the Full Cost of Service** – After establishing the different cost layers for each division, the full cost of service was calculated for each fee category. The initial steps of the cost of service analysis were focused on taking each division's FY 2015 cost of operations and distributing those costs among the different fee service categories and components to establish the cost layers that ultimately make up each fee service's total cost. For a specific fee category (i.e. Planning and Engineering), each division's cost layers were used to arrive at the full cost of service for that fee service category. These cost layers were then used to calculate an average hourly rate for each program.

The cost for each individual Planning, Engineering, and Stormwater fee service was also calculated by applying the fully loaded hourly rates to the staff time estimates developed for each individual fee and verified as part of Step 1 above.

**Step 4: Set Cost Recovery Objectives** – Once the full cost of service was identified and the hourly rates established, the next step is to establish cost recovery objectives. The total costs of the various services were compared to the overall revenue generated by each fee service category to determine the level of cost recovery (e.g. percentage of full costs compared to revenue generated). The cost of each individual permit service was also compared to each permit's FY 2015 fee. When services cost more than the revenue generated, funding from the General Fund is used to cover the gap between costs and revenues. Cost recovery objectives are policy decisions that can be based on a variety of factors, including the public vs. private benefit provided by the service. If an activity has a public benefit, it might be more appropriately supported by taxes. Conversely, if an activity has mostly private benefits, it might be more appropriately supported by fees. Activities that have a mix of public and private benefits might be supported by a combination of fees and taxes. Exhibit 6 illustrates the application of public-versus-private benefit decisions in determining what level of the full cost of service should be recovered from fees. When fee activities combine both public and private benefits, the fees might be less than the cost of service. This is an important concept that should be considered when determining the level of cost recovery.

### Exhibit 6 Public Versus Private Benefit and Cost Recovery Decisions



The City does have financial policies for non-enterprise fund user fees, and the following policies establish guidelines for funding and cost recovery considerations:

- ◆ For services that benefit specific users, the City shall establish and collect fees to recover the costs of those services. Where services provide a general public benefit, the City may recover the costs of those services through property taxes, privilege fees, and other unrestricted resources.
- ◆ At a minimum, the user fees will strive to cover the direct costs. Preferably the fees will cover the direct plus indirect costs.

**Step 5: Set Fees** – The final step of the cost of service and fee analysis is to calculate the fees based on the cost recovery policies. The City also has a financial policy related to the factors it should consider.

- ◆ Factors in setting fees shall include, but not be limited to: market and competitive pricing, effect of demand for services, and impact on users, which may result in recovering something less than direct and indirect costs.

The City’s policy is similar to other considerations besides the analytical cost recovery objectives, and these considerations include key questions such as:

- ◆ Is it feasible to set fees at the calculated level?
- ◆ Will increasing fees result in compliance or public safety problems?
- ◆ Can the market bear the fee increases?
- ◆ Do adjustments in fees adversely affect other City goals?
- ◆ Are there feasible process changes that might bring costs into better balance with revenues?

## CHAPTER III: COST OF SERVICE AND COST RECOVERY FEE ANALYSIS

Based on the previously described methodology in Chapter II, the estimated FY 2015 full cost of service for all planning and engineering fee supported services was developed as well as the full cost for all non-fee services. The cost of service analysis shows the costs by the overall permit fee category (i.e. planning and engineering) and by individual fee. Labor costs were initially analyzed by division: Planning, Engineering, Economic Development, Natural Resources/SWM Management, and Administration. Because each division can be involved with services provided by the other divisions, the costs in the divisions needed to be divided by the type of fee services provided instead of organizational unit. To calculate the actual cost of service for each division's fee services, the costs of the different fee services were based on each staff member's time profile as previously discussed. Although planning permits are generally associated with the Planning Division, every division has some involvement with the various planning permits. Exhibit 7 shows the results of the breakdown of the direct and indirect hours by fee category, and Exhibit 8 shows the allocation of the labor hours and costs from the four divisions into the three functional fee categories.

**Exhibit 7  
Direct Hours by Division and Fee Category**

Fee Category	Division				Total Direct Fee Hours	Total Non-Fee Hours	Total Hours
	Planning	Engineering	Economic Development	Natural Resources/SWM MGMT			
Planning	5,517	696	290	52	6,555	4,146	10,702
Engineering	-	3,377	-	35	3,412	9,104	12,516
Economic Development	-	-	-	-	-	1,168	1,168
Natural Resources/SWM MGMT	-	-	-	-	-	2,373	2,373
<b>Total</b>	<b>5,517</b>	<b>4,074</b>	<b>290</b>	<b>87</b>	<b>9,967</b>	<b>14,417</b>	<b>24,385</b>

**Exhibit 8  
Direct Labor Costs by Division and Fee Category**

Fee Category	Division				Total Direct Fee Cost	Total Non-Fee Cost	Total Cost
	Planning	Engineering	Economic Development	Natural Resources/SWM MGMT			
Planning	\$ 294,714	\$ 46,684	\$ 14,514	\$ 3,726	\$ 359,638	\$ 261,942	\$ 621,580
Engineering	-	189,583	-	2,502	192,086	573,066	765,151
Economic Development	-	-	-	-	-	84,596	84,596
Natural Resources/SWM MGMT	-	-	-	-	-	137,067	137,067
<b>Total</b>	<b>\$ 294,714</b>	<b>\$ 236,267</b>	<b>\$ 14,514</b>	<b>\$ 6,228</b>	<b>\$ 551,723</b>	<b>\$ 808,733</b>	<b>\$ 1,360,456</b>

## PLANNING FEES

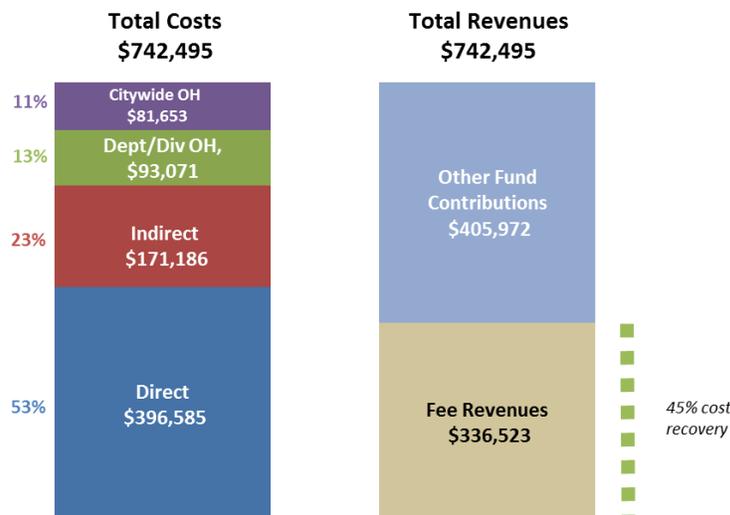
As shown below in Exhibit 9, the full cost of planning fee services was \$742,495. Direct services made up roughly 53% of the full cost of service, while indirect services made up 23% of the full cost of service. Department Administration and Citywide Overhead costs made up the remaining 24%.

**Exhibit 9  
FY 2015 Full Cost of Service for Planning Fees**

Planning		Annual Cost Components		Total Costs	% of Total Costs
		Labor Costs	Non-Labor Costs		
Direct Costs	Total Direct Services	\$ 359,638	\$ 36,947	\$ 396,585	53%
	Contract Services	-	\$ -	\$ -	-
	<b>Subtotal Direct Costs</b>	<b>\$ 359,638</b>	<b>\$ 36,947</b>	<b>\$ 396,585</b>	<b>53%</b>
Indirect Costs	Administration	\$ 159,933	\$ 11,252	\$ 171,186	23%
	-	-	-	-	-
	-	-	-	-	-
<b>Subtotal Indirect Costs</b>		<b>159,933</b>	<b>11,252</b>	<b>\$ 171,186</b>	<b>23%</b>
Overhead Costs	Department Administration OH - Fee Related	\$ 64,105	\$ 28,967	\$ 93,071	13%
	Citywide OH - Fee Related	-	81,653	81,653	11%
	-	-	-	-	-
<b>Subtotal Overhead Costs</b>		<b>\$ 64,105</b>	<b>\$ 110,619</b>	<b>\$ 174,724</b>	<b>24%</b>
<b>Total Planning Fee Costs</b>		<b>\$ 583,676</b>	<b>\$ 158,819</b>	<b>\$ 742,495</b>	<b>100%</b>

Based on planning fee revenues, the cost recovery level for planning fee services was at 45% in FY 2015. The revenues did not even cover the direct costs, which is the City's minimum cost recovery level. The City's preferred cost recovery is to cover both the direct and indirect costs. To meet the City's preferred cost recovery level, the cost recovery should be at about 76%. To achieve this level, the fee revenue would need to be increased by an overall average of 69%. Depending on the number of permits and the difference between the cost of service and the current fees, some fees might need to be increased more or less than the average.

**Exhibit 10  
FY 2015 Planning Fee Cost Recovery**



## Individual Planning Fee Cost Recovery

As previously mentioned, the cost of service and the cost recovery level for each individual fee service was also calculated. Exhibit 11 shows the cost recovery level for each fee. The following summarizes the cost of service results.

- ◆ About 55% of the individual fees analyzed are recovering less than the overall 45% cost recovery level.
- ◆ For the highest volume permits the analysis shows the following:
  - Architectural Review Villebois – Single Family has a \$320 FY 2015 fee with a cost of service at \$233 for a 137% cost recovery.
  - Review of Building Permit Application – All other Residential has a \$160 FY 2015 fee with a cost of service at \$319 for a 50% cost recovery.
  - Tree permit Type A for 3 or fewer has a \$16 FY 2015 fee with a cost of service at \$44 for a 36% cost recovery.
- ◆ For some other common permits, the Administrative Review – Class 1 permit has a \$160 FY 2015 fee with a cost of service at \$337 for a 47% cost recovery while a Class I sign permit has a \$80 FY 2015 fee with a cost of service at \$29 for a 275% cost recovery.

**Exhibit 11**  
**FY 2015 Individual Planning Fee Cost Recovery**

Fee Services for Planning	Cost of Service	2015 Fee	Cost Recovery (%)
Administrative Review - Class I	\$ 337	\$ 160	47%
Administrative Review - Class II	\$ 1,455	\$ 560	38%
Annexation (+Metro)	\$ 4,367	\$ 2,400	55%
Appeals - Administrative Decision or Interpretation	\$ 1,529	\$ 400	26%
Appeals - DRB or Planning Commission Action	\$ 13,838	\$ 800	6%
Appeals - Referee Decision (expedited land division)	\$ 3,814	\$ 960	25%
Architectural Review (Villebois) - Single Family	\$ 233	\$ 320	137%
Architectural Review (Villebois) - Multi-family per Unit	\$ 5	\$ 80	1620%
Change of non-conforming use	\$ 1,008	\$ 560	56%
Comprehensive Plan Amendment - Legislative text	\$ 9,495	\$ 3,200	34%
Comprehensive Plan Amendment - Legislative text with BM 56 notice	\$ 10,344	\$ 5,920	57%
Comprehensive Plan Amendment - Legislative map	\$ 6,401	\$ 3,200	50%
Comprehensive Plan Amendment - Legislative map with BM 56 notice	\$ 7,251	\$ 5,920	82%
Comprehensive Plan Amendment - Quasi-judicial map	\$ 3,115	\$ 2,400	77%
Comprehensive Plan Amendment - Quasi-judicial map with BM 56 notice	\$ 4,627	\$ 5,120	111%
Conditional Use Permit - Accessory Use to SFD in Willamette River Greenway	\$ 1,707	\$ 560	33%
Conditional Use Permit - All Others	\$ 2,532	\$ 1,920	76%
Expedited Land Division - Under ORS 197	\$ 1,008	\$ 960	95%
Expedited Land Division - Under ORS 197 per lot	\$ -	\$ 16	0%
Expedited Land Division - Villebois	\$ -	\$ 1,920	0%
Expedited Land Division - Villebois per lot	\$ -	\$ 32	0%
Final Plat Review Fee - Partition	\$ 2,312	\$ 160	7%
Final Plat Review Fee - Subdivision	\$ 4,965	\$ 640	13%
Parks Plan Review Fee	\$ 5,221	\$ 500	10%
Planned Unit Development - Stage I Residential	\$ 2,049	\$ 1,280	62%
Planned Unit Development - Stage I Commercial	\$ 2,049	\$ 1,280	62%
Planned Unit Development - Stage I Industrial	\$ 2,121	\$ 1,280	60%
Planned Unit Development - Stage I Public	\$ 2,049	\$ 1,280	62%
Planned Unit Development - Stage I Villebois SAP (Per Resolution 1896)	\$ 2,270	\$ 1,920	85%
Planned Unit Development - Stage I Villebois SAP Modification	\$ 2,906	\$ 1,280	44%
Planned Unit Development - Stage II Residential Base	\$ 9,696	\$ 1,920	20%
Planned Unit Development - Stage II Residential additional per net acre for all sites >2 acres	\$ -	\$ 240	0%
Planned Unit Development - Stage II Residential additional per net acre for all sites >2 acres per unit	\$ -	\$ 16	0%
Planned Unit Development - Stage II Commercial Base	\$ 9,696	\$ 1,920	20%
Planned Unit Development - Stage II Commercial additional per net acre for all sites >1 acres	\$ -	\$ 240	0%
Planned Unit Development - Stage II Commercial additional per net acre for all sites >1 acres per sq ft for all bldgs >5,000 sq ft	\$ -	\$ 0	0%
Planned Unit Development - Stage II Industrial Base	\$ 9,768	\$ 1,920	20%
Planned Unit Development - Stage II Industrial additional per net acre for all sites > 2 acres	\$ -	\$ 240	0%
Planned Unit Development - Stage II Industrial additional per net acre for all sites > 2 acres per sq ft for all bldgs > 10,000 sq ft	\$ -	\$ 0	0%
Planned Unit Development - Stage II Public Base	\$ 9,840	\$ 1,920	20%
Planned Unit Development - Stage II Public additional per net acre for all sites > 5 acres	\$ -	\$ 240	0%
Planned Unit Development - Stage II Public additional per net acre for all sites > 5 acres per sq ft for all bldgs > 25,000 sq ft	\$ -	\$ 0	0%
Planned Unit Development - Stage II Villebois PDP Base	\$ 9,923	\$ 1,920	19%
Planned Unit Development - Stage II Villebois PDP additional per net acre for all sites > 2 acres	\$ -	\$ 240	0%
Planned Unit Development - Stage II Villebois PDP additional per net acre for all sites > 2 acres per lot	\$ -	\$ 16	0%
Planned Unit Development - Stage II PDP Modification (Minor)	\$ 4,693	\$ 1,920	41%
Planned Unit Development - Stage II PDP Modification (Major)	\$ 442	\$ 2,700	611%
Planned Unit Development - Stage II Mixed Use Bldgs Base	\$ 9,923	\$ 1,920	19%
Planned Unit Development - Stage II Mixed Use Bldgs Additional	\$ -	*Formula*	0%
Preapplication Conference - Residential <50 lots/units	\$ 1,599	\$ 160	10%
Preapplication Conference - Residential = to or > 50 lots/units	\$ 1,599	\$ 320	20%
Preapplication Conference - Other Signs only	\$ 290	\$ 160	55%
Preapplication Conference - Other Single bldg, <100,000 sq ft	\$ 1,322	\$ 400	30%
Preapplication Conference - All Others	\$ 1,672	\$ 640	38%
Request for Special Meeting - Staff	\$ -	\$ 240	0%
Request for Special Meeting - DRB or Planning Commission	\$ 2,588	\$ 960	37%
Request for Special Meeting - City Council	\$ 2,856	\$ 1,920	67%
Request for Time Extension - Administrative	\$ 667	\$ 80	12%
Request for Time Extension - DRB Review: First Extension	\$ 667	\$ 400	60%
Request for Time Extension - DRB Review: Second Extension	\$ 667	\$ 800	120%
Request for Time Extension - DRB Review: Third Extension	\$ 667	\$ 1,600	240%

**Exhibit 11 (continued)**  
**FY 2015 Individual Planning Fee Cost Recovery**

Fee Services for Planning	Cost of Service	2015 Fee	Cost Recovery (%)
Request to Modify Conditions of Approval - Administrative	\$ 928	\$ 400	43%
Request to Modify Conditions of Approval - DRB Review	\$ 2,383	\$ 960	40%
Request to Modify Conditions of Approval - City Council	\$ 3,377	\$ 960	28%
Review of Bldg Permit Application (Deck/Garage/Carport/etc.)	\$ 262	\$ 100	38%
Review of Bldg Permit Application - All other Residential	\$ 319	\$ 160	50%
Review of Bldg Permit Application - All other	\$ 943	\$518 Not to exceed	0%
SROZ Review - Verification of Boundary Abbreviated	\$ 394	\$ 80	20%
SROZ Review - Verification of Boundary Standard	\$ 487	\$ 160	33%
SROZ Review - SRIR Review Abbreviated	\$ 562	\$ 480	85%
SROZ Review - SRIR Review Standard	\$ 1,590	\$ 1,200	75%
SROZ Review - Review Mitigation Monitoring Report	\$ 475	\$ 120	25%
Signs Permits and Review (Except Temporary Signs) - Class I Sign Permit	\$ 161	\$ 160	99%
Signs Permits and Review (Except Temporary Signs) - Minor Adjustment as Part of Class I Sign Permit	\$ 29	\$ 80	275%
Signs Permits and Review (Except Temporary Signs) - Class II Sign Permit	\$ 1,078	\$ 400	37%
Signs Permits and Review (Except Temporary Signs) - Class III Sign Permit	\$ 1,605	\$ 560	35%
Signs Permits and Review (Except Temporary Signs) - Master Sign Plan	\$ 1,343	\$ 960	71%
Site Design Review	\$ 5,152	\$ 1,280	25%
Staff interpretation (written) - Without public notice (including zone compliance letter)	\$ 511	\$ 160	31%
Staff interpretation (written) - With public notice	\$ 3,323	\$ 560	17%
Street Vacation	\$ 3,982	\$ 1,920	48%
Temporary Use and Sign Permits - Class I < 15 days	\$ 88	\$ 80	91%
Temporary Use and Sign Permits - Class I 15 - 30 days	\$ 88	\$ 160	181%
Temporary Use and Sign Permits - Class I Annual Event Signs	\$ 88	\$ 50	57%
Temporary Use and Sign Permits - Class II 31 - 60 days	\$ 548	\$ 240	44%
Temporary Use and Sign Permits - Class II 61 - 120 days (signs only)	\$ 548	\$ 320	58%
Temporary Use and Sign Permits - Class II 61 - 120 days (other temporary uses, may incorporate concurrent sign)	\$ 614	\$ 800	130%
Temporary Use - DRB Review more than 120 days (non-sign temporary uses only)	\$ 3,525	\$ 800	23%
Tentative Plat Review - Partition Administrative Review	\$ 1,008	\$ 560	56%
Tentative Plat Review - Partition DRB Review	\$ 2,121	\$ 1,280	60%
Tentative Plat Review - Subdivision Residential Base	\$ 3,052	\$ 1,280	42%
Tentative Plat Review - Subdivision Residential additional per net acre for all sites > 2 acres	\$ -	\$ 240	0%
Tentative Plat Review - Subdivision Residential additional per net acre for all sites > 2 acres per lot	\$ -	\$ 16	0%
Tentative Plat Review - Subdivision Commercial Base	\$ 3,052	\$ 1,280	42%
Tentative Plat Review - Subdivision Commercial additional per net acre for all sites > 1 acres	\$ -	\$ 240	0%
Tentative Plat Review - Subdivision Commercial additional per net acre for all sites > 1 acres per lot	\$ -	\$ 16	0%
Tentative Plat Review - Subdivision Industrial Base	\$ 3,052	\$ 1,280	42%
Tentative Plat Review - Subdivision Industrial additional per net acre for all sites > 5 acres	\$ -	\$ 240	0%
Tentative Plat Review - Subdivision Industrial additional per net acre for all sites > 5 acres per lot	\$ -	\$ 16	0%
Tentative Plat Review - Subdivision Public Base	\$ 3,052	\$ 1,280	42%
Tentative Plat Review - Subdivision Public additional per net acre for all sites > 10 acres	\$ -	\$ 240	0%
Tentative Plat Review - Subdivision Public additional per net acre for all sites > 10 acres per lot	\$ -	\$ 16	0%
Tree Permit - Type A 3 or fewer	\$ 44	\$ 16	36%
Tree Permit - Type B or C 3 or fewer	\$ 400	\$ 80	20%
Tree Permit - Type B or C 4 - 10	\$ 557	\$ 80	14%
Tree Permit - Type B or C 4 - 10 per tree	\$ 19	\$ 8	42%
Tree Permit - Type B or C 11 - 25	\$ 1,156	\$ 120	10%
Tree Permit - Type B or C 11 - 25 per tree	\$ 19	\$ 8	42%
Tree Permit - Type B or C 26 or more	\$ 1,244	\$ 160	13%
Tree Permit - Type B or C 26 or more per tree	\$ 19	\$ 8	42%
Tree Permit - Type D	\$ 750	\$ 800	107%
Tree Permit - DRB Review of Type C Removal Plan	\$ 158	\$ 560	354%
Variance - Administrative	\$ 1,008	\$ 560	56%
Variance - DRB Review	\$ 6,041	\$ 1,920	32%
Waiver - per waiver	\$ 1,104	\$ 160	14%
Villebois Expedited Review	\$ -	*Double Applicable	0%
Villebois FDP	\$ 4,818	\$ 1,280	27%
Zone Change - Legislative text	\$ 9,495	\$ 3,200	34%
Zone Change - Legislative text with BM 56 notice	\$ 10,344	\$ 5,920	57%
Zone Change - Legislative Map	\$ 6,401	\$ 3,200	50%
Zone Change - Legislative Map with BM 56 notice	\$ 7,251	\$ 5,920	82%
Zone Change - Quasi-judicial Map	\$ 3,115	\$ 1,280	41%

**Exhibit 11 (continued)  
FY 2015 Individual Planning Fee Cost Recovery**

Fee Services for Planning	Cost of Service	2015 Fee	Cost Recovery (%)
Resolution 1896 - Rainwater Review Fee - Single family homes per unit	\$ 149	\$ 100	67%
Resolution 1896 - Rainwater Review Fee - Multi family homes per unit	\$ 149	\$ 50	34%
Resolution 1896 - Master planner property subject to LID - Single family per unit	\$ -	\$ 210	0%
Resolution 1896 - Master planner property subject to LID - Multi-family per unit	\$ -	\$ 140	0%
Resolution 1896 - Matrix property subject to LID - Single family per unit	\$ -	\$ 900	0%
Resolution 1896 - Matrix property subject to LID - Multi-family per unit	\$ -	\$ 600	0%
Resolution 1896 - Other properties in Villebois Urban Village - Single family per unit	\$ -	\$ 1,200	0%
Resolution 1896 - Other properties in Villebois Urban Village - Multi-family per unit	\$ -	\$ 800	0%
Zoning Verification Letter - NEW	\$ 709	No Fee	0%
Concept Plan - Initiated by Property Owner - NEW	\$ 22,034	No Fee	0%
Architectural Review (VB) - Multi-family per Building [Based on comments from Architectural Review (Villebois) - Multi-family per Unit]	\$ 74	Change in Fee	0%
Final Plat Review Fee - Partition - Per Legal Document [Based on feedback from Final Plat Review Fee - Partition]	\$ -		0%
Final Plat Review Fee - Subdivision - Per Legal Document [Based on feedback from Final Plat Review Fee - Subdivision]	\$ -		0%
Planned Unit Development - Stage I Modified [per feedback from Stage I permits]	\$ 2,387	Change in Fee	0%
Planned Unit Development - Stage II Modified [per feedback from Stage II permits]	\$ 5,647	Change in Fee	0%
Tree Permit - Type C 3 or fewer [per feedback from Tree permits]	\$ 352	Change in Fee	0%
Tree Permit - Type C 4 - 10 [per feedback from Tree permits]	\$ 806	Change in Fee	0%
Tree Permit - Type C 11 - 25 [per feedback from Tree permits]	\$ 916	Change in Fee	0%
Tree Permit - Type C 26 or more [per feedback from Tree permits]	\$ 960	Change in Fee	0%

**ENGINEERING FEES**

As shown below in Exhibit 12, the full cost of engineering fee services was \$424,780. Direct services made up roughly 62% of the full cost of service, while indirect services made up 18% of the full cost of service. Department Administration and Citywide Overhead costs made up the remaining 20%.

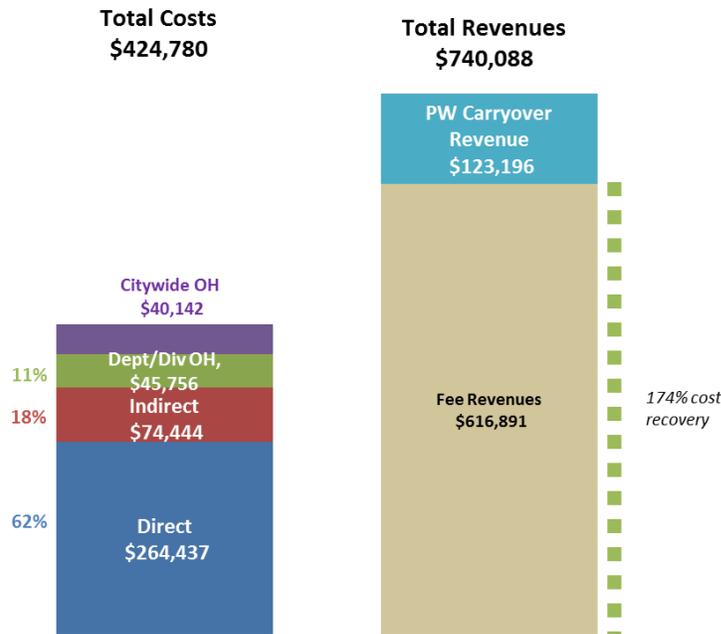
**Exhibit 12  
FY 2015 Full Cost of Service for Engineering Fees**

Engineering		Annual Cost Components		Total Costs	% of Total Costs
		Labor Costs	Non-Labor Costs		
Direct Costs	Total Direct Services	\$ 192,086	\$ 72,352	\$ 264,437	62%
	Contract Services		\$ -	\$ -	-
<b>Subtotal Direct Costs</b>		<b>\$ 192,086</b>	<b>\$ 72,352</b>	<b>\$ 264,437</b>	<b>62%</b>
Indirect Costs	Administration	\$ 70,407	\$ 4,037	\$ 74,444	18%
		-	-	-	-
		-	-	-	-
<b>Subtotal Indirect Costs</b>		<b>70,407</b>	<b>4,037</b>	<b>\$ 74,444</b>	<b>18%</b>
Overhead Costs	Department Administration OH - Fee Related	\$ 31,515	\$ 14,241	\$ 45,756	11%
	Citywide OH - Fee Related	-	40,142	40,142	9%
		-	-	-	-
<b>Subtotal Overhead Costs</b>		<b>\$ 31,515</b>	<b>\$ 54,383</b>	<b>\$ 85,898</b>	<b>20%</b>
<b>Total Engineering Fee Costs</b>		<b>\$ 294,007</b>	<b>\$ 130,772</b>	<b>\$ 424,780</b>	<b>100%</b>

Exhibit 13 shows that the engineering permit revenues are covering more than the cost to provide the service at 174% cost recovery. However, the engineering fees are calculated differently from the planning fees. The planning fees are almost all fixed fee services that are based on the time and effort to conduct the review. In contrast, the engineering fees are based on a percentage of a project's valuation similar to building permits. Almost all the engineering revenue is from the valuation fees that include the following:

- ◆ Engineering Plan Check Fee - 2% of valuation
- ◆ Administration and Inspection Fee - 5% of valuation
- ◆ Right-of-Way Permits Over \$2,500 - 7% of valuation

### Exhibit 13 FY 2015 Engineering Fee Cost Recovery



The Right of Way permit for values less than \$2,500 is the only engineering fee that is a fixed fee. Based on Engineering staff input, the cost of service for this permit is \$2,449 compared to the FY 2015 fee of \$150, a 6% cost recovery level.

## NATURAL RESOURCES/STORMWATER MANAGEMENT FEES

The Natural Resources/Stormwater Management Division does not have any specific development fees. Work related to the division's responsibilities are included as part of several different types of planning permits that include the following general planning permit types:

- ◆ Pre-application conferences
- ◆ Administrative Reviews
- ◆ Conditional Use
- ◆ Plat reviews
- ◆ Planned Unit Development Reviews
- ◆ Review of Building Plan applications
- ◆ SROZ reviews
- ◆ Site Design
- ◆ Rainwater Review

The Natural Resources staff did, however, identify a service where no fee is currently being charged. An Erosion Control Inspection Fee was identified as a possible fee service that has a cost of service of \$1,887.

## OVERALL FEE OBSERVATIONS

Based on the time profiles and the cost of service and cost recovery analyses, the City has opportunities to improve and make adjustments to its planning and engineering fees. Observations about the fee services show the following:

- ◆ Staff from all divisions are involved in processing planning permits.
- ◆ Although Engineering staff are the primary staff involved with engineering permits, staff from Natural Resources can also participate in the engineering permit processes.
- ◆ Planning fees only recovered 45% of the FY 2015 full cost of service and did not even recover the direct costs associated with the planning permits. To meet City policy by recovering the direct and indirect costs, the fee revenue should have recovered about 75% of the full cost.
- ◆ Engineering fees recovered more than the FY 2015 full cost of service, but most of the revenue is from engineering plan review and inspection fees, which are based on valuation and not time and materials like Planning's fixed fees.

# CHAPTER IV: PLANNING DIVISION COST OF SERVICE AND COST RECOVERY

According to the 2015-16 Adopted Budget, the Planning Division helps City decision makers determine the kind of community they want Wilsonville to be and charts the course to make that vision a reality. The Planning Division is responsible for the City’s land use policies and regulations, including the Comprehensive Plan, Master Plans, and the Development Code. Division responsibilities include current planning, long-range planning, capital project support, and code enforcement. Current and long-range definitions according to the 2015-16 budget are as follows.

- ◆ Current Planning staff works closely with customers seeking to develop commercial, industrial and residential projects. Staff also helps interested and affected stakeholders understand and comment on proposals. Current Planning duties include all aspects of development coordination, site plan review, construction oversight, inspection services and land-use code enforcement.
- ◆ Long-range Planning staff works with citizens as well as local, regional, and state agencies to prepare master plans for future development of the community. The staff facilitates legislative amendments to the Comprehensive Plan and Development Code to achieve compliance with regional and state law and coordinates with Metro on regional issues such as Urban Growth Boundary (UGB) expansions and Regional Transportation Plan (RTP) updates.

The Planning Division has 7.6 full-time budgeted positions in the 2015-16 budget cycle. Exhibit 14 shows a brief historical breakdown by position.

**Exhibit 14  
Historical Planning Division FTEs**

<b>Position</b>	<b>Budget 2012-13</b>	<b>Budget 2013-14</b>	<b>Budget 2014-15</b>	<b>Adopted 2015-16</b>
Planning Director	1.0	1.0	1.0	1.0
Manager of Long-Range Planning	1.0	1.0	1.0	1.0
Manager of Current Planning	1.0	1.0	1.0	1.0
Associate Planner	2.0	2.0	2.0	2.0
Assistant Planner	1.0	1.0	1.0	1.0
Administrative Assistant II	1.0	1.0	0.6	0.6
Administrative Assistant III	1.0	1.0	1.0	1.0
<b>Total</b>	<b>8.0</b>	<b>8.0</b>	<b>7.6</b>	<b>7.6</b>

## DIVISION OBJECTIVES

According to the City’s 2015-16 Adopted Budget, there are several primary, specific objectives of the Planning Division, in the following categories:

- ◆ Clear Vision and Community Design

- In collaboration with citizens, property owners and stakeholders, adopt a concept plan for the Frog Pond Area resulting in the next generation of great Wilsonville neighborhoods.
- ◆ Thoughtful Land Use
  - Work with the West Linn/Wilsonville School District, plan and facilitate the construction of a new middle school at the Advance Road site; and
  - Work with Tualatin to develop a concept plan and determine a jurisdictional boundary for the Basalt Creek area to create opportunities for business, jobs, and housing.
- ◆ Community Amenities and Recreation
  - With private development partners, continue to implement the Villebois Master Plan with high quality development; and
  - Develop the next regional-park (Regional Park 5) and section of the Ice Age Tonquin Trail in the Villebois neighborhood.
- ◆ Economic Development
  - Adopt a Form Based Code for the Coffee Creek Industrial Area; and
  - Continue to provide high quality customer service by matching businesses interested in Wilsonville with appropriate sites and available buildings.
- ◆ Multi-modal Transportation Network
  - Assist with planning and execution of capital improvement projects that fill in critical gaps in the non-motorized transportation network; and
  - Create a city-wide signage and wayfinding program.
- ◆ Regional Awareness and Influence
  - Add the East and South Frog Pond Area neighborhoods to the Urban Growth Boundary.

## HISTORICAL FINANCIAL TRENDS

The following chart shows that planning resources, including a transfer from the General Fund, have nearly met expenditures in each year. Community Development reserves were drawn in fiscal years 2012-13 and 2014-15, totaling \$50,000 and \$29,000 respectively.

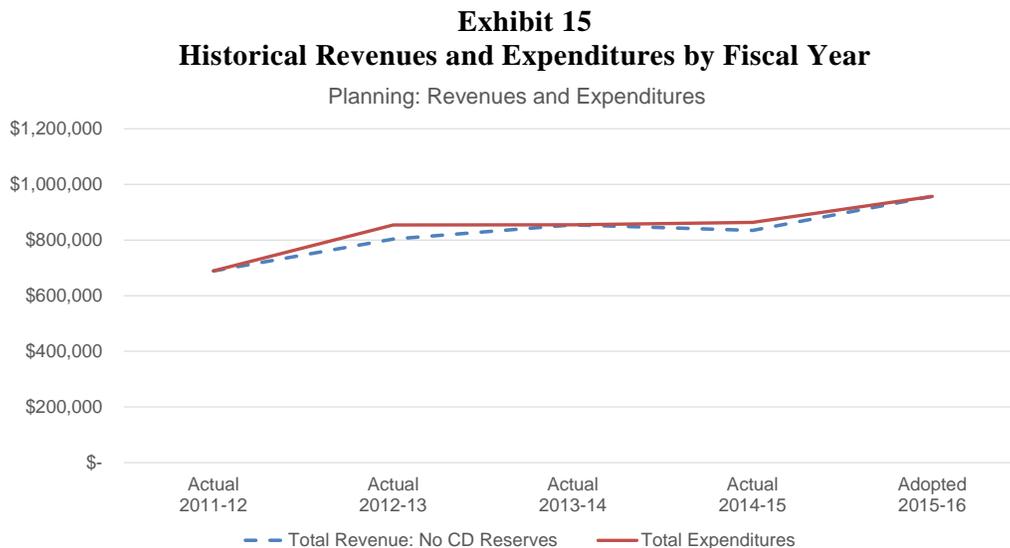


Exhibit 15 summarizes actual revenue and expenditures for Fiscal Year (FY) 2012 through 2015 as well as includes budgeted figures for FY 2015-2016. A few items of note:

- Through FY 2014-2015, total expenditures have increased by 8% per year, with total personnel increasing by 8% per year and materials and supplies increased by 5% per year.
- Through FY 2014-2015, permit revenues have decreased by 7% per year, Villebois Master Plan Fees have decreased by 10% per year, and Urban Renewal Charges have decreased by 5% per year.

However, total resources have increased by 8% per year, with Interfund Charges increasing 9% per year, plus General Fund and Community Development aid that did not occur in 2011-2012.

- For the FY 2015-2016 Adopted Budget, total personnel services is projected to increase 9% and total materials and services is projected to increase 37%. The 37% increase is due primarily to professional services increasing from \$44,000 to \$62,000.

**Exhibit 16  
Planning Budget/Actual Expenditures by Fiscal Year**

Planning	Actual 2011-12	Actual 2012-13	Actual 2013-14	Actual 2014-15	Adopted 2015-16
<b>Expenditure Summary</b>					
<b>Personnel Services</b>					
Salaries and wages	\$ 418,241	\$ 519,843	\$ 520,401	\$ 536,599	\$ 561,980
Employee benefits	\$ 208,721	\$ 267,953	\$ 262,376	\$ 255,278	\$ 297,560
<b>Total</b>	<b>\$ 626,962</b>	<b>\$ 787,796</b>	<b>\$ 782,777</b>	<b>\$ 791,877</b>	<b>\$ 859,540</b>
<b>Materials and Services</b>					
Supplies	\$ 3,742	\$ 3,124	\$ 3,815	\$ 5,558	\$ 13,296
Prof and tech services	\$ 40,807	\$ 43,746	\$ 47,787	\$ 44,382	\$ 61,680
Utility services	\$ 1,178	\$ 1,573	\$ 1,890	\$ 1,741	\$ 2,000
Fleet services	\$ 1,770	\$ 1,624	\$ 1,710	\$ 1,760	\$ 1,560
Insurance	\$ 173	\$ 389	\$ 260	\$ 333	\$ 424
Employee development	\$ 7,665	\$ 7,490	\$ 4,014	\$ 9,513	\$ 9,350
Fees, dues, advertising	\$ 6,557	\$ 7,566	\$ 10,970	\$ 7,342	\$ 8,362
Meeting expenses	\$ 198	\$ 514	\$ 1,287	\$ 773	\$ 825
<b>Total</b>	<b>\$ 62,090</b>	<b>\$ 66,026</b>	<b>\$ 71,733</b>	<b>\$ 71,402</b>	<b>\$ 97,497</b>
<b>Total</b>	<b>\$ 689,052</b>	<b>\$ 853,822</b>	<b>\$ 854,510</b>	<b>\$ 863,279</b>	<b>\$ 957,037</b>
<b>Resources Summary</b>					
Permits	\$ 418,349	\$ 339,884	\$ 316,415	\$ 338,606	\$ 378,700
Villebois Master Plan Fee	\$ 115,000	\$ 10,000	\$ 107,163	\$ 83,195	\$ 40,000
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund charges	\$ 100,703	\$ 207,457	\$ 153,844	\$ 129,207	\$ 257,037
Urban renewal charges	\$ 55,000	\$ 46,000	\$ 48,088	\$ 47,660	\$ 38,300
General Fund revenues	\$ -	\$ 200,000	\$ 229,000	\$ 236,000	\$ 243,000
CD Fund reserves	\$ -	\$ 50,481	\$ -	\$ 28,611	\$ -
<b>Total</b>	<b>\$ 689,052</b>	<b>\$ 853,822</b>	<b>\$ 854,510</b>	<b>\$ 863,279</b>	<b>\$ 957,037</b>
<b>Surplus / (Deficit)</b>	<b>\$ -</b>				

## Budgeted Revenues versus Actual Revenues

A closer look at budgeted and actual revenues over the past three years can be seen in the following exhibit. A few general trends are noted below:

- ◆ Actual draws on CD Fund Reserves have been less than budgeted in each year.
- ◆ Actual Villebois Master Plan Fees and Permit revenues have been higher than budgeted by an average of more than 17% a year.
- ◆ General Fund plus Community Development Fund resources have averaged nearly 30% per year of total resources from FY 2012-13 to 2014-15.
- ◆ Total actual resources have been lower than budgeted revenue by an average of \$115,000 per year or almost 12% per year.

**Exhibit 17**  
**Historical Budget and Actual Revenues by Fiscal Year**  
Planning: Budget and Actual Revenues Comparison



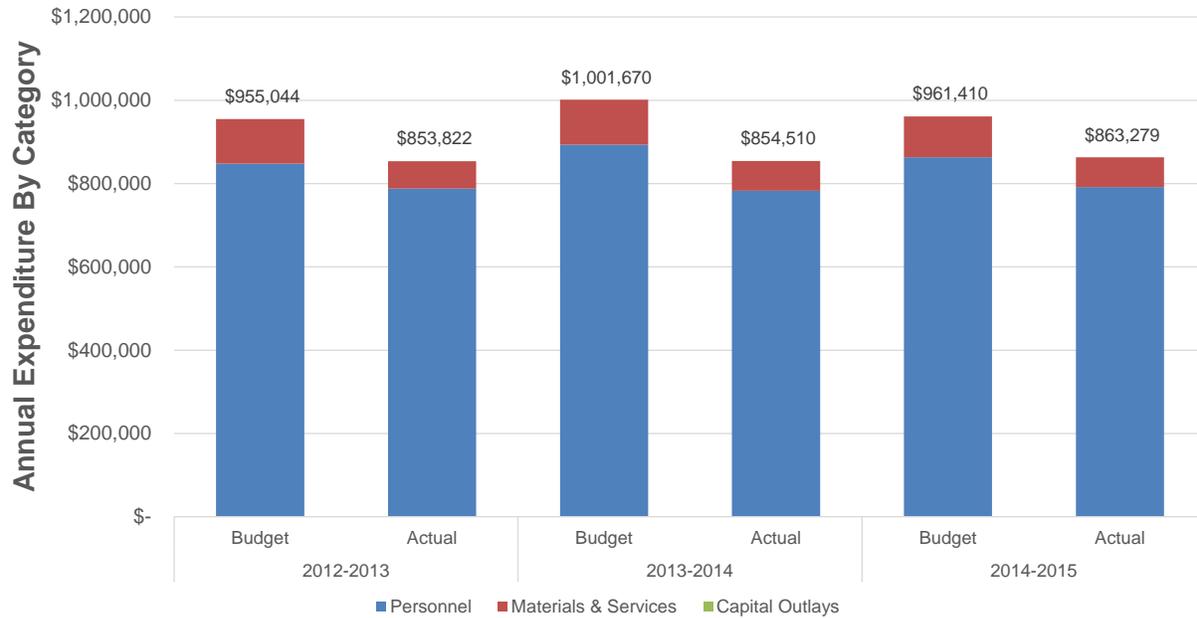
## Budgeted Expenditures versus Actual Expenditures

A closer look at budgeted and actual expenditures over the past three years can be seen in Exhibit 18. A few general trends are noted below:

- ◆ Total actual personnel expenditures have been lower than budgeted by \$81,000 per year.
- ◆ Total actual materials and services have been lower than budgeted by \$35,000.
- ◆ Total actual expenditures have been lower than budgeted by \$116,000 per year. The highest difference occurred in FY 2013-14 when actuals were nearly \$150,000 less than originally budgeted.

**Exhibit 18**  
**Historical Budget and Actual Expenditures by Fiscal Year**

Planning: Budget and Actual Expenditure Comparison



**COST OF SERVICE AND COST RECOVERY COMPARISONS**

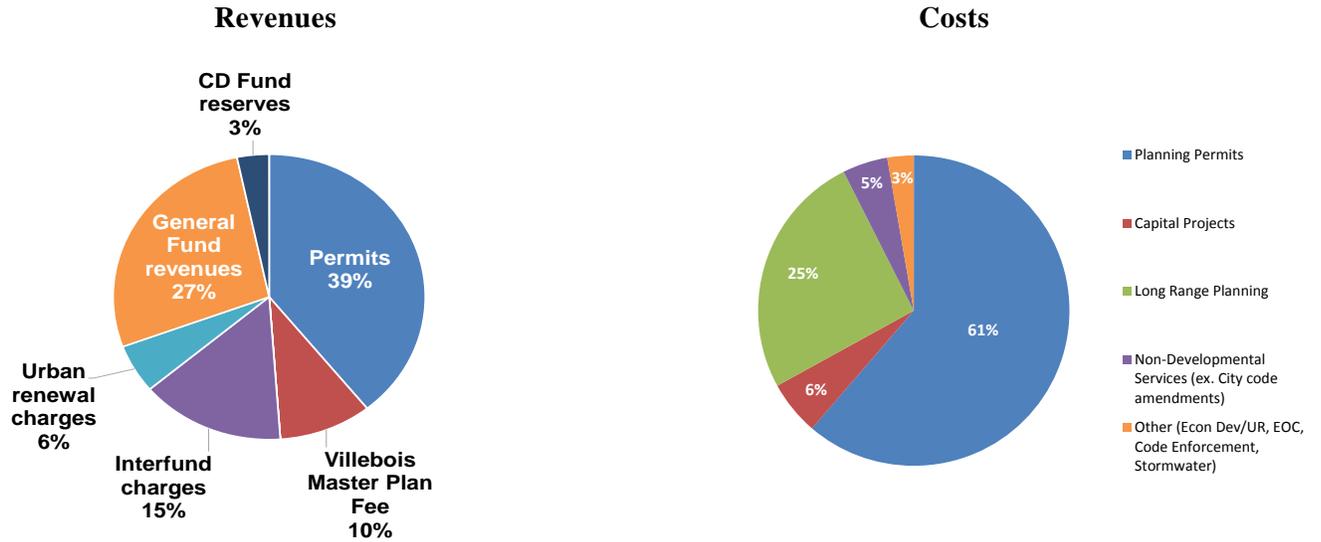
The previous sections analyze the overall revenues and expenditures for the Planning Division, but as part of the cost of service analysis, the full costs of the fee as well as the non-fee services were identified for FY 2015. The costs also include allocations for Department administration and Citywide overhead. When these other costs are added to the Planning Division’s costs, the total cost of service is about \$1.1 million for all planning services. To better understand how the costs of Planning’s individual services compare with the revenues associated with the Division, the actual revenues identified in the City’s budget are compared with the costs of the different services. The costs for the different services were based on the hours and hourly rates previously identified as part of the cost of service and time analysis in Chapter II, but the Division’s administrative, share of Department overhead, and Citywide overhead costs were allocated only within each CD division.

Based on an analysis of the identified Planning revenues compared to the cost of Planning’s different services, there seems to be an imbalance between the revenue sources and each service’s costs.

- ◆ As already identified, planning fee services do not recover the cost of the services provided. For FY 2015, planning permitting costs represented 61% of the division’s costs, but the permit revenue only represented 39% of the revenues.
- ◆ Long range planning represented about 25% of the division’s costs and General Fund represented 27% of the revenues. Other General Fund services include code enforcement and the other non-development services that are related to City code amendments, and with these services an additional 11% should have been supported by the General Fund. Instead, these services appear to be supported by the interfund charges, urban renewal charges, and CD Reserves.

Exhibit 19 shows the percentages of FY 2015 revenues along with the cost percentages of the Planning’s different services.

### Exhibit 19 Percentage Breakdown of Planning's FY 2015 Revenues and Costs



# CHAPTER V: ENGINEERING DIVISION COST OF SERVICE AND COST RECOVERY

According to the 2015-2016 adopted budget, the Engineering Division provides professional level project design services, capital project management, design review, construction inspection and related services for publicly funded capital improvement projects and privately financed residential, commercial and industrial development within the City. Engineering also provides technical direction for infrastructure master planning, design, cost estimating, operations and maintenance. Additional responsibilities include traffic management, maintaining accurate infrastructure ‘as-built’ records, mapping, street addressing and development/revision of Public Works construction standards.

The Engineering Division has 9.5 full-time budgeted positions in the 2015-16 budget cycle. Exhibit 20 shows a brief historical breakdown by position.

**Exhibit 20**  
**Historical Detail of Engineering Division FTEs**

<b>Position</b>	<b>Budget 2012-13</b>	<b>Budget 2013-14</b>	<b>Budget 2014-15</b>	<b>Adopted 2015-16</b>
City Engineer	1.0	0.0	0.0	0.0
Deputy City Engineer	2.0	2.0	2.0	2.0
Civil Engineer	1.0	2.0	2.0	2.0
Senior Engineering Technician	2.0	2.0	2.0	2.0
Engineering Associate	1.0	1.0	1.0	1.0
GIS and Mapping Technician	1.0	1.0	1.0	1.0
Administrative Assistant III	1.0	1.0	1.0	1.0
Intern	0.0	0.0	0.0	0.5
<b>Total</b>	<b>9.0</b>	<b>9.0</b>	<b>9.0</b>	<b>9.5</b>

## DIVISION OBJECTIVES

City staff provided the following services and responsibilities for the Engineering Division:

- ◆ Review and prepare conditions for development applications;
- ◆ Review new public infrastructure construction plans for new development to ensure compliance with adopted public works standards;
- ◆ Construction inspection and related services for publicly funded capital improvement projects and privately financed residential, commercial and industrial development within the City;
- ◆ Maintain and implement the 5-year capital improvement program;
- ◆ Develop and update infrastructure SDC methodology and fees and utility rates based on adopted master plans and capital improvement needs;
- ◆ Capital project management and contract administration;

- ◆ Provide technical direction for infrastructure master planning, design, cost estimating, operations and maintenance;
- ◆ Provide traffic management;
- ◆ Maintain accurate infrastructure 'as-built' records;
- ◆ Provide mapping and street addressing; and
- ◆ Maintain public works construction standards.

Additionally, the City's 2015-2016 Adopted Budget outlines several specific, primary objectives for Engineering:

- ◆ Construct an upsized Coffee Creek Sewer Interceptor between Barber Street and Boeckman Road to facilitate development of the Coffee Creek Industrial Area;
- ◆ Design and acquire property for the Kinsman Road Extension between Barber Street and Boeckman Road;
- ◆ Complete construction of the Barber Street Bridge and road connection between Kinsman Road and Villebois Village;
- ◆ Complete advance design for the Tooze Road improvements between 110th and Grahams Ferry Road;
- ◆ Provide support for the completion of the Frog Pond/Advance Road and Basalt Creek concept planning processes;
- ◆ Work with the West Linn / Wilsonville School District to plan and design infrastructure improvements for the new Advance Road Middle School site;
- ◆ Begin implementation of Charbonneau District Infrastructure Improvements; and
- ◆ Complete 2015 Annual Street Maintenance Program.

## HISTORICAL FINANCIAL TRENDS

The following chart shows that engineering revenues have met or exceeded expenditures in each year. A more detailed look at line item revenues and expenditures can be seen in the next section.

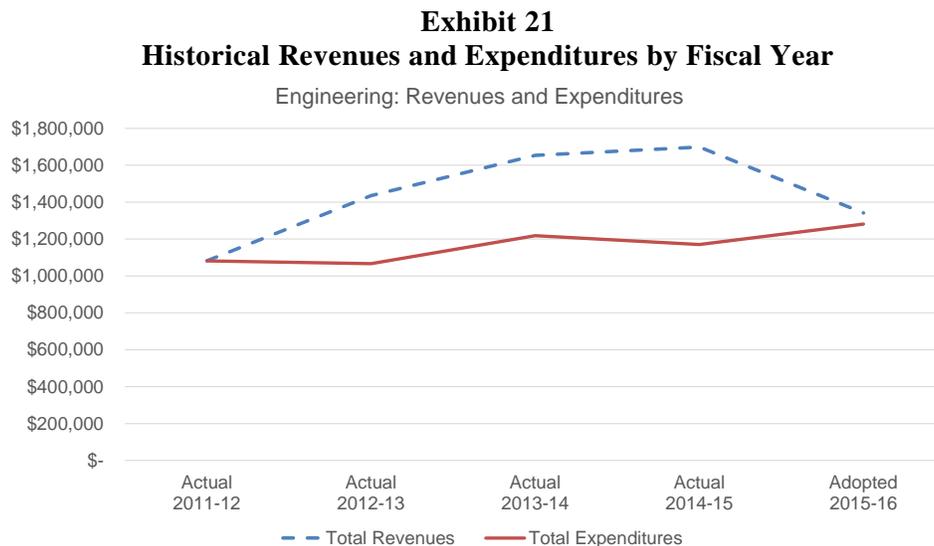


Exhibit 22 summarizes actual revenue and expenditures for Fiscal Year (FY) 2011-12 through 2014-2015 and also includes budgeted figures for FY 2016. A few items of note:

- Through FY 2014-2015, total expenditures have increased by 3% per year, with total personnel increasing by 4% per year and materials and supplies decreasing by 7% per year.
- Through FY 2014-2015, permit revenues have increased by 55% per year and urban renewal charges have increased by 25% per year. However, charges for services have declined 10% per year and interfund charges have declined by 2% per year. Altogether, total resources have increased by 16% per year during this same period. Actual permit revenues have averaged about 60% more than budgeted over the past three years with most of the differences occurring in the last two fiscal years.
- For the FY 2016 Adopted Budget, personnel services is projected to increase 5% and materials and services is projected to increase 52%. The 52% increase is due primarily to professional services increasing from \$66,000 to \$104,000. However, this increase is only \$4,000 higher than the actual 2013-2014 level of \$99,000.

**Exhibit 22  
Engineering Division - Historical Financials by Fiscal Year**

Engineering	Actual 2011-12	Actual 2012-13	Actual 2013-14	Actual 2014-15	Adopted 2015-16
<b>Expenditure Summary</b>					
<b>Personnel Services</b>					
Salaries and wages	\$ 640,251	\$ 639,239	\$ 693,822	\$ 695,573	\$ 714,470
Employee benefits	\$ 295,067	\$ 305,990	\$ 350,621	\$ 356,209	\$ 386,260
<b>Total</b>	<b>\$ 935,318</b>	<b>\$ 945,229</b>	<b>\$ 1,044,443</b>	<b>\$ 1,051,782</b>	<b>\$ 1,100,730</b>
<b>Materials and Services</b>					
Supplies	\$ 19,561	\$ 22,964	\$ 16,852	\$ 12,632	\$ 20,708
Prof and tech services	\$ 77,884	\$ 59,212	\$ 99,119	\$ 66,373	\$ 103,616
Utility services	\$ 4,805	\$ 4,357	\$ 7,131	\$ 7,554	\$ 7,305
Fleet services	\$ 18,220	\$ 14,285	\$ 17,820	\$ 15,250	\$ 19,040
Repairs & maintenance	\$ 2,105	\$ 2,620	\$ 2,095	\$ -	\$ 2,597
Rents & leases	\$ -	\$ -	\$ -	\$ -	\$ 1,605
Insurance	\$ 1,156	\$ 2,592	\$ 1,882	\$ 2,320	\$ 2,727
Employee development	\$ 18,008	\$ 9,049	\$ 8,786	\$ 7,021	\$ 12,120
Meeting expenses	\$ 1,098	\$ 7	\$ 485	\$ 522	\$ 636
Fees, dues, advertising	\$ 3,886	\$ 6,112	\$ 7,466	\$ 6,644	\$ 9,841
<b>Total</b>	<b>\$ 146,723</b>	<b>\$ 121,198</b>	<b>\$ 161,636</b>	<b>\$ 118,316</b>	<b>\$ 180,195</b>
<b>Capital Outlay</b>					
Machinery & Equipment	\$ -	\$ -	\$ 11,870	\$ -	\$ -
<b>Total</b>	<b>\$ 1,082,041</b>	<b>\$ 1,066,427</b>	<b>\$ 1,217,949</b>	<b>\$ 1,170,098</b>	<b>\$ 1,280,925</b>
<b>Resources Summary</b>					
Permits	\$ 186,345	\$ 361,048	\$ 616,717	\$ 698,400	\$ 290,500
Charges for services	\$ 58,880	\$ 26,500	\$ 45,128	\$ 42,328	\$ 31,603
Interfund charges	\$ 673,422	\$ 915,115	\$ 747,807	\$ 636,095	\$ 944,931
Urban renewal charges	\$ 163,394	\$ 133,000	\$ 244,406	\$ 322,183	\$ 74,600
<b>Total</b>	<b>\$ 1,082,041</b>	<b>\$ 1,435,663</b>	<b>\$ 1,654,058</b>	<b>\$ 1,699,006</b>	<b>\$ 1,341,634</b>
<b>Surplus / (Deficit)</b>	<b>\$ -</b>	<b>\$ 369,236</b>	<b>\$ 436,109</b>	<b>\$ 528,908</b>	<b>\$ 60,709</b>

## Budgeted Revenues versus Actual Revenues

A closer look at budgeted and actual revenues over the past three years can be seen in the following exhibit. While budgeted and actual revenues were fairly close in FY 2012-2013, actual revenues in 2013-2014 and 2014-2015 were much higher than originally budgeted. Over the past two years, the following trends are noted:

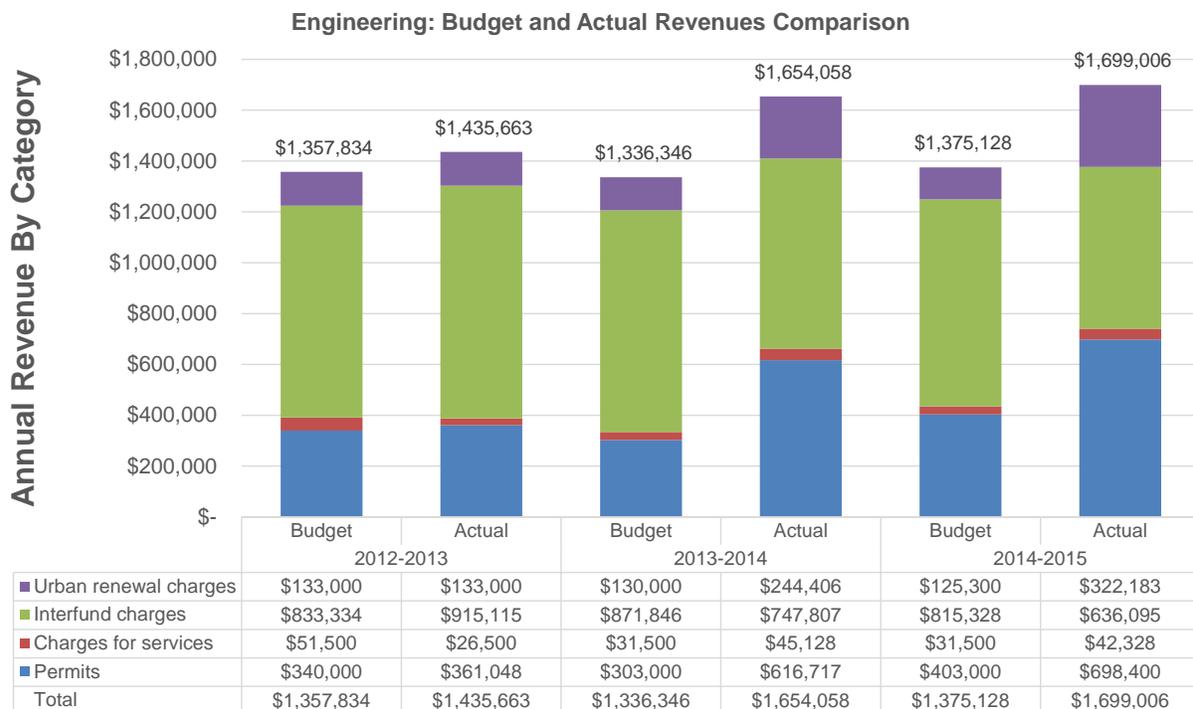
- ◆ Actual urban renewal charges were higher than budgeted by an average of \$156,000 per year.
- ◆ Actual permit revenues were higher than budgeted by an average of \$305,000 per year.
- ◆ Actual Interfund charges were less than budgeted by an average of \$152,000 per year.
- ◆ Total actual revenue has exceeded budgeted revenue by an average of \$321,000 per year.

The City’s 2013-2014 Adopted Budget, under the Community Development Fund, cited a continued, local economic recovery in calendar year 2012, which resulted in the third highest year of public and private investment in the City’s history (\$125 million). Investments of note include the following:

- ◆ Waste Water Treatment Plant upgrade, SMART fleet facility, Mentor Graphics data center, TVFR command center, Lowrie Primary School, the Villebois community center, Piccadilly Park, Jory Trail at the Grove phases 2 and 3, and over 100 new single-family homes constructed Citywide.

The budget then predicted “more of the same” in 2013, but the budgeted revenues for FY 2013-2014 and FY 2014-2015 did not reflect the large increase in activity and revenues.

**Exhibit 23**  
**Historical Budget and Actual Revenues by Fiscal Year**

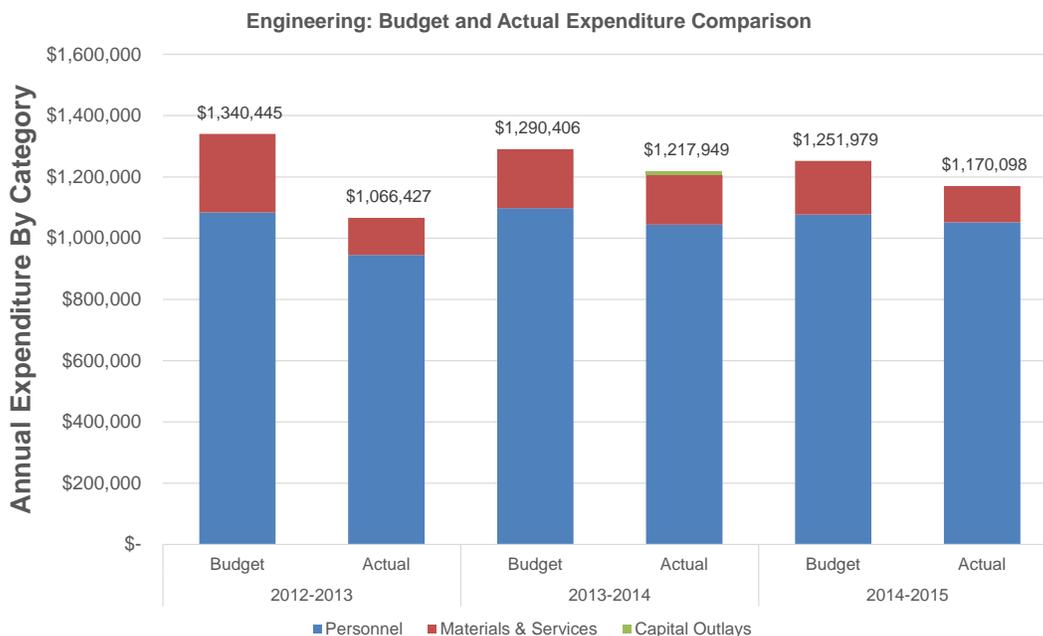


## Budgeted Expenditures versus Actual Expenditures

A closer look at budgeted and actual expenditures over the past three years can be seen in the Exhibit 24. A few general trends are noted below:

- ◆ Total actual personnel expenditures have been lower than budget in each year.
- ◆ Total actual materials and services have also been lower than budget in each year.
- ◆ Total actual expenditures have been lower than budget by approximately \$143,000 per year on average. However, FY 2012-13 was the largest difference, when actual expenditures were nearly \$275,000 less than originally budgeted.
  - This difference, at least personnel’s portion, could be attributed to a vacant Civil Engineer position that was filled in August of 2013. If that position was included within the 2012-2013 budget, but was not filled until part-way through FY 2013-2014, this could explain why FY 2013-14 and FY 2014-15’s actual personnel expenditures are closer to budget, as compared to FY 2012-13.

**Exhibit 24**  
**Historical Budget and Actual Expenditures by Fiscal Year**



## COST OF SERVICE AND COST RECOVERY COMPARISONS

The previous sections analyze the overall revenues and expenditures for the Engineering Division, but as part of the cost of service analysis, the full costs of the fee as well as the non-fee services were identified for FY 2015. The costs also include allocations for Department administration and Citywide overhead. When these other costs are added to the Engineering Division’s costs, the total cost of service is about \$1.5 million for all engineering services. To better understand how the costs of Engineering’s individual services compare with the revenues associated with the Division, the actual FY 2015 revenues identified in the City’s budget are compared with the costs of the different services. The costs for the different services were based on the hours and hourly rates previously identified as part of the cost of service and time analysis in Chapter II, but the Division’s

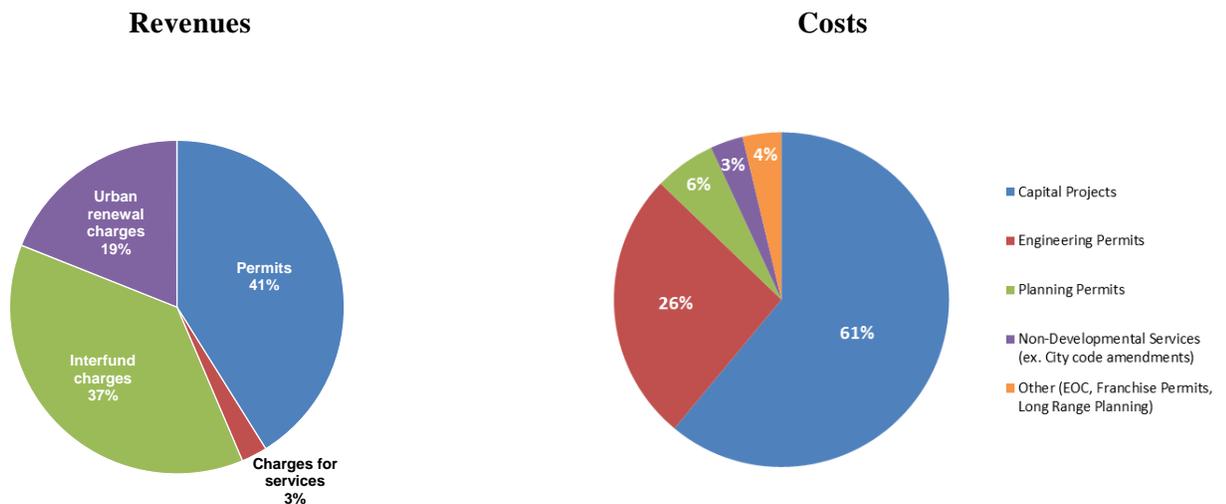
administrative, share of Department overhead, and Citywide overhead costs were allocated only within each CD division.

Based on an analysis of the identified Engineering revenues compared to the cost of its different services, there seems to be an imbalance between the revenue sources and each service's costs.

- ◆ At 61%, capital projects represent most of the division's costs but the combined urban renewal and interfund charges only represent 56% of the revenues.
- ◆ As already identified, engineering fee services recover more than the cost of the services provided. For FY 2015, engineering permitting costs represented 26% of the division's costs, but the permit revenue represented 41% of the revenues. In addition, the engineering staff's cost for processing planning permits added another 6% of the division's costs. As previously shown the planning permit revenues did not cover all the costs which included these Engineering staff costs.
- ◆ Other costs that might be associated with General Fund support include costs for franchise permits, long range planning, and emergency operations.

Exhibit 25 shows the percentages of FY 2015 revenues along with the cost percentages of Engineering's different services.

**Exhibit 25**  
**Percentage Breakdown of Engineering's FY 2015 Revenues and Costs**



# CHAPTER VI: ADMINISTRATION DIVISION

## COST OF SERVICE AND COST RECOVERY

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According to the FY 2016 adopted budget, Community Development Administration provides leadership for economic development, current development and construction in the City of Wilsonville, and planning future growth and infrastructure needs. Administration is tasked with regional coordination and planning for land use, transportation, and water systems; economic development and managing the City's Urban Renewal plans and projects.

The Administration Division has 4.5 full-time budgeted positions in the 2015-2016 budget cycle, including the Community Development Director and the Economic Development Manager. Exhibit 26 shows a brief historical breakdown by position.

**Exhibit 26**  
**Historical Detail of Administration Division FTEs**

<b>Position</b>	<b>Budget 2012-13</b>	<b>Budget 2013-14</b>	<b>Budget 2014-15</b>	<b>Adopted 2015-16</b>
Community Development Director	1.0	1.0	1.0	1.0
Real Property Specialist	1.0	1.0	1.0	1.0
Administrative Assistant III	1.0	0.0	0.0	0.0
Administrative Assistant I	1.5	1.5	1.5	1.5
Economic Development Manager	1.0	1.0	1.0	1.0
<b>Total</b>	<b>5.5</b>	<b>4.5</b>	<b>4.5</b>	<b>4.5</b>

### DIVISION OBJECTIVES

City staff provided the following services and responsibilities for the Administration Division:

- ◆ Provide leadership for current development and construction in the City and for planning future growth and infrastructure needs;
- ◆ Regional coordination and planning for land use, transportation, and water systems; and
- ◆ Economic development and managing the City's Urban Renewal plans and projects.

Additionally, the City's 2015-2016 Adopted Budget outlines several specific, primary objectives of the Administration Division, specifically within the general economic development objective:

- ◆ Developing a funding and annexation strategy for the Coffee Creek Industrial area plan;
- ◆ Developing a concept plan for the Basalt Creek Industrial Area in partnership with Tualatin; and
- ◆ Implement adopted City-Wide Urban Renewal Strategic Plan.

## HISTORICAL FINANCIAL TRENDS

The following chart shows that administration resources have essentially met or exceeded expenditures in each year except in FY 2014-15 when Administration drew down Community Development reserves by nearly \$235,000. A more detailed look at line item revenues and expenditures can be seen in the next section.

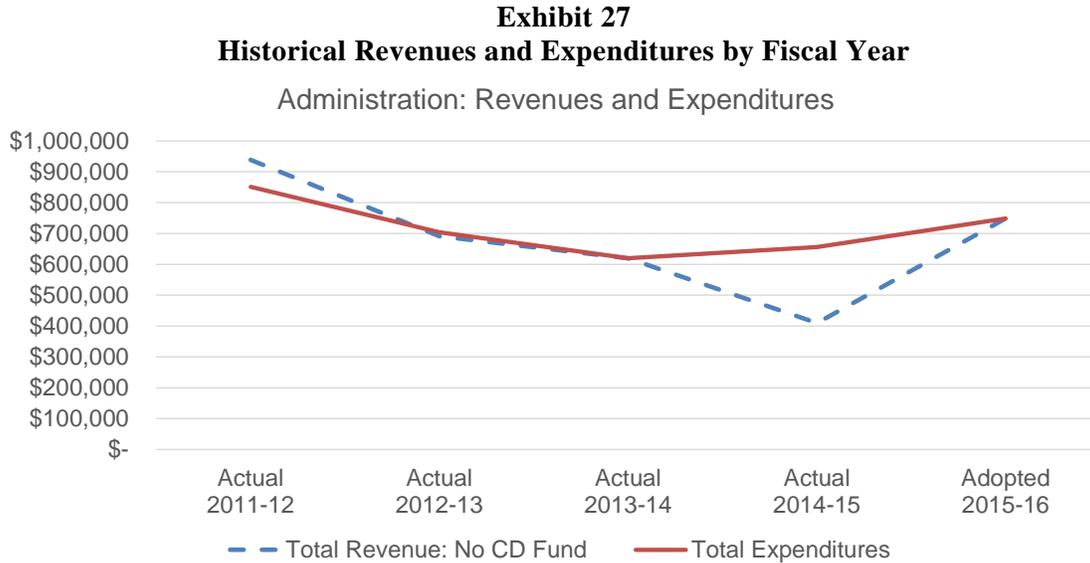


Exhibit 28 summarizes actual revenue and expenditures for Fiscal Year (FY) 2012 through 2015 and includes budgeted figures for FY 2015-2016. A few items of note:

- Through FY 2014-2015, total Expenditures have decreased by 8% per year, with total personnel decreasing by 9% per year and materials and supplies decreasing by 12% per year.
- Through FY 2014-2015, total resources have decreased by 12% per year, with the largest decreases resulting from less Interfund Charges and Urban Renewal Charges. Some of this difference has been filled through the use of Community Development reserves, such as the \$235,000 draw in FY 2014-2015.
- For the FY 2015-2016 Adopted Budget, total personnel services are projected to increase 4% and materials and services are projected to increase 74%. The 74% increase is due primarily to professional services increasing from \$7,000 to \$74,000. These professional services are likely to be one-time costs rather than recurring, as they are related to a consultant review of the Community Development Program’s costs and revenues as well as costs to replace the Time Trax labor tracking software.
- Some categories that see a relatively large percentage increase in the 2014-2015 Budget, but not necessarily a large dollar increase relative to the total budget, include Supplies, Employee Development, and Meeting Expenses.

**Exhibit 28**  
**Administration Division - Historical Financials by Fiscal Year**

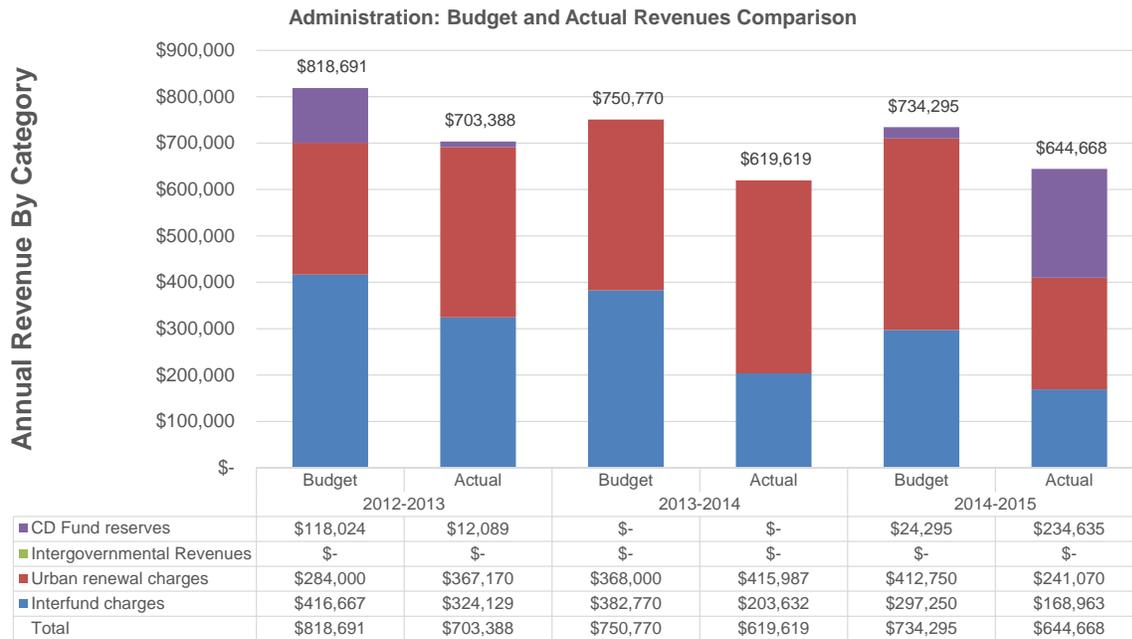
<b>Administration</b>	<b>Actual 2011-12</b>	<b>Actual 2012-13</b>	<b>Actual 2013-14</b>	<b>Actual 2014-15</b>	<b>Adopted 2015-16</b>
<b>Expenditure Summary</b>					
<b>Personnel Services</b>					
Salaries and wages	\$ 471,742	\$ 345,133	\$ 350,690	\$ 354,560	\$ 357,210
Employee benefits	\$ 197,728	\$ 156,284	\$ 153,569	\$ 157,873	\$ 176,070
<b>Total</b>	<b>\$ 669,470</b>	<b>\$ 501,417</b>	<b>\$ 504,259</b>	<b>\$ 512,433</b>	<b>\$ 533,280</b>
<b>Materials and Services</b>					
Supplies	\$ 43,085	\$ 52,088	\$ 32,582	\$ 36,096	\$ 47,334
Prof and tech services	\$ 69,417	\$ 71,046	\$ 1,413	\$ 7,488	\$ 73,546
Utility services	\$ 33,880	\$ 36,068	\$ 37,834	\$ 41,307	\$ 45,436
Fleet services	\$ 2,950	\$ 2,901	\$ 2,800	\$ 2,740	\$ 2,990
Repairs & maintenance	\$ 21,423	\$ 24,625	\$ 26,025	\$ 24,129	\$ 26,150
Rents & leases	-	\$ 563	\$ 2,339	\$ 2,252	\$ 2,150
Insurance	\$ 1,991	\$ 3,518	\$ 3,550	\$ 3,759	\$ 4,000
Employee development	\$ 4,022	\$ 9,002	\$ 6,900	\$ 3,809	\$ 10,049
Meeting expenses	\$ 2,573	\$ 1,460	\$ 1,756	\$ 1,695	\$ 2,525
Fees, dues, advertising	-	\$ 700	\$ 161	\$ 360	\$ 1,050
<b>Total</b>	<b>\$ 179,341</b>	<b>\$ 201,971</b>	<b>\$ 115,360</b>	<b>\$ 123,635</b>	<b>\$ 215,230</b>
<b>Capital Outlay</b>					
Machinery & Equipment	\$ -	\$ -	\$ -	\$ 19,600	\$ -
Software	\$ 2,050	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 850,861</b>	<b>\$ 703,388</b>	<b>\$ 619,619</b>	<b>\$ 655,668</b>	<b>\$ 748,510</b>
<b>Resources Summary</b>					
Interfund charges	\$ 380,561	\$ 324,129	\$ 203,632	\$ 168,963	\$ 218,210
Urban renewal charges	\$ 458,000	\$ 367,170	\$ 415,987	\$ 241,070	\$ 530,300
Intergovernmental Revenues	\$ 100,000	\$ -	\$ -	\$ -	\$ -
CD Fund reserves	\$ -	\$ 12,089	\$ -	\$ 234,635	\$ -
<b>Total</b>	<b>\$ 938,561</b>	<b>\$ 703,388</b>	<b>\$ 619,619</b>	<b>\$ 644,668</b>	<b>\$ 748,510</b>
<b>Surplus / (Deficit)</b>	<b>\$ 87,700</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (11,000)</b>	<b>\$ -</b>

### Budgeted Revenues versus Actual Revenues

A closer look at budgeted and actual revenues over the past three years can be seen in Exhibit 29. A few general trends are noted below:

- ◆ Actual interfund charges have been less than budgeted interfund charges in each year.
- ◆ Actual Urban Renewal (UR) charges have been higher than budgeted in the first two years, while being significantly lower in the most recent year for FY 2014-15.
- ◆ Because actual interfund and UR charges were much less than budgeted in 2014-15, nearly \$235,000 in community development fund reserves were used where only \$24,000 was budgeted.
- ◆ Total actual revenue has been less than budgeted revenue by an average of \$ 112,000 per year.

**Exhibit 29**  
**Historical Budget and Actual Revenues by Fiscal Year**

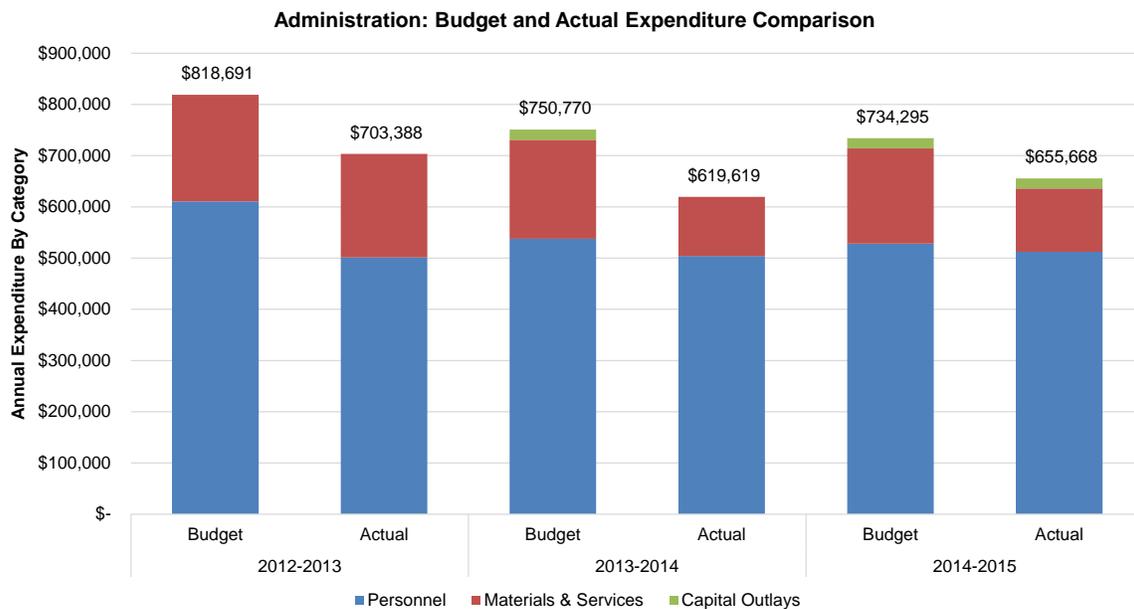


**Budgeted Expenditures versus Actual Expenditures**

A closer look at budgeted and actual expenditures over the past three years can be seen in the following exhibit. A few general trends are noted below:

- ◆ Total actual personnel expenditures have been lower than budget in each year.
- ◆ Total actual materials and services have also been lower than budget in each year.
- ◆ Total actual expenditures have been lower than budgeted by approximately \$108,000 per year. Part of this difference could be attributed to Administration reducing its staffing levels from 5.5 FTEs in the FY 2012-2013 budget to 4.5 FTEs in FY 2013-2014 budget. The latter two comparative years in Exhibit 30 show budget and actual personnel costs were much closer than FY 2012-2013.

### Exhibit 30 Historical Budget and Actual Expenditures by Fiscal Year



## COST OF SERVICE AND COST RECOVERY COMPARISONS

The previous sections analyze the overall revenues and expenditures for the Administration Division, but as part of the cost of service analysis, the full costs of the fee as well as the non-fee services were identified for FY 2015. The costs also include allocations for Department administration and Citywide overhead. When these other costs are added to the Administration Division’s costs, the total cost of service is about \$291,915 for all the Division’s services. To better understand how the costs of the Administration Division’s individual services compare with the revenues associated with the Division, the actual revenues identified in the City’s budget are compared with the costs of the different services. The costs for the different services were based on the hours and hourly rates previously identified as part of the cost of service and time analysis in Chapter II, and only the Division’s share of the Department overhead and Citywide overhead costs are included in the Division’s program costs.

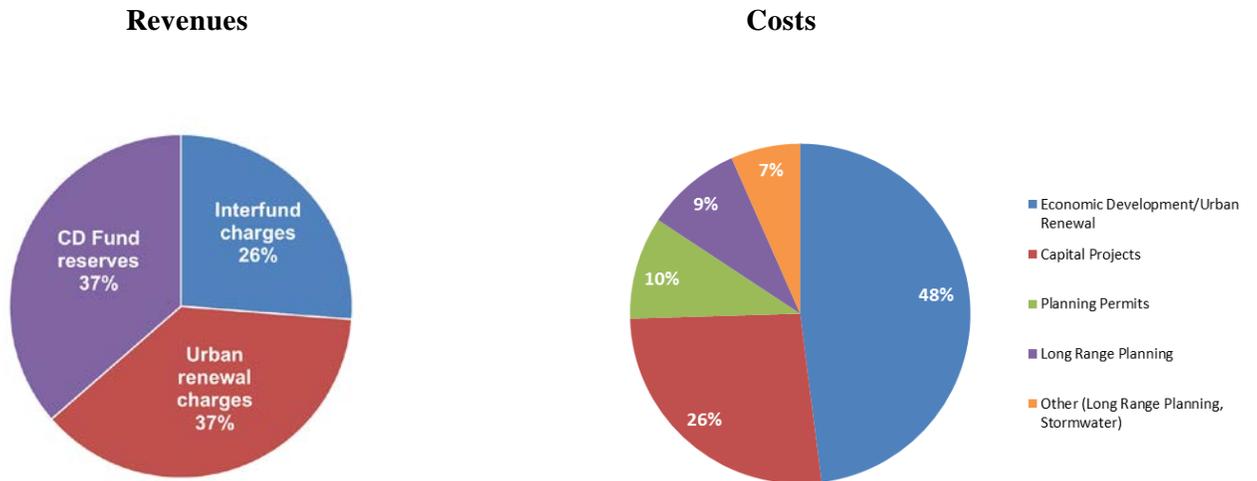
Based on an analysis of the identified Administration Division’s revenues compared to the cost of its different services, there seems to be an imbalance each CD division between the revenue sources and each service’s costs.

- ◆ Economic development and urban renewal costs represent 48% of the division’s costs, but the urban renewal revenues only represent 37% of the revenues. The other support is coming from the CD Fund reserves.
- ◆ Assuming that capital project costs are supported by the interfund charges, capital project costs represent 26% of the costs and the interfund charges also represent 26% of the revenues.
- ◆ Like Engineering, the Administration Division’s costs for planning permits and long range planning have no specific revenues identified, but those costs are probably offset by the use of the CD Fund’s reserves.
- ◆ Other costs for long range stormwater planning are also not identified with a specific revenue source unless the interfund charges include revenue from the Stormwater Fund for these services.

However, all the interfund charges are attributed to the capital project costs. If not included as part of the interfund charges, this additional 7% of the division's costs is then supported by the CD Fund reserves.

Exhibit 31 shows the percentages of FY 2015 revenues along with the cost percentages of Administration Division's different services.

**Exhibit 31**  
**Percentage Breakdown of the Administration Division's FY 2015 Revenues and Costs**



# CHAPTER VI: NATURAL RESOURCE AND STORMWATER DIVISION COST OF SERVICE AND COST RECOVERY

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According to the 2015-2016 adopted budget, The Natural Resources Program maintains a healthy environment by ensuring long-term care of local natural resources such as streams, wetlands and natural areas. The Stormwater Management Program manages both the quantity and quality of stormwater runoff and provides adequate drainage and protection of local streams and aquatic systems pursuant to federal and state requirements. The City’s stormwater program is funded by fees charged on residential and commercial utility bills. The Natural Resources and Stormwater programs include planning and project management, policy and code development, partnerships with local and regional organizations, compliance with federal permit requirements, and environmental education and outreach.

The Natural Resources & Stormwater Management Division has 3 full-time budgeted positions in the 2015-2016 budget cycle. Exhibit 32 shows a brief historical breakdown by position.

**Exhibit 32  
Historical Natural Resources & Stormwater Management Division FTEs**

Position	Budget 2012-13	Budget 2013-14	Budget 2014-15	Adopted 2015-16
Natural Resources Program Manager	1.0	1.0	1.0	1.0
Stormwater Management Coordinator	1.0	1.0	1.0	1.0
Stormwater Civil Engineer*	0.0	0.0	0.0	1.0
Environmental Education Specialist	1.0	0.0	0.0	0.0
<b>Total</b>	<b>3.0</b>	<b>2.0</b>	<b>2.0</b>	<b>3.0</b>

\*Position to be filled mid-year.

## DIVISION OBJECTIVES

Based on information provided by City staff as well as City’s 2015-2016 Adopted Budget, the following primary objectives, services, and responsibilities of the Natural Resources & Stormwater Management program are listed:

### Environmental Stewardship

- ◆ Effectively plan for the protection and maintenance of the City’s stormwater system;
- ◆ Review stormwater management activities and make refinements as needed to support the recommendations of the Stormwater Master Plan and the requirements of the National Pollution Discharge Elimination System (NPDES) Stormwater Management Plan;

- ◆ Administer the City’s Erosion and Sediment Control program;
- ◆ Provide ongoing baseline monitoring to detect significant changes of the water quality associated with local nonpoint source discharges;
- ◆ Develop effective strategies for managing and sustaining healthy and flourishing natural resources;
- ◆ Educate and engage the public about protecting and conserving natural resources through participation in restoration projects, interpretive programs, and other events;
- ◆ Protect, enhance and restore native habitat through the control of invasive species and the reestablishment of native plant communities; and
- ◆ Foster and maintain partnerships with local and regional organizations to achieve effective management and cost efficiencies.

**Well Maintained Infrastructure**

- ◆ Assist with planning, engineering, and construction of development and capital improvement projects to assure compliance with applicable codes and Wilsonville Public Works Standards;
- ◆ In cooperation with staff in the Public Works Department, coordinate field activities to assure that new development is constructed and maintained in a way that meets the requirements of the Clean Water Act and related regulations; and
- ◆ In FY 15-16, provide technical support for the Kinsman Road extension, French Prairie Bridge, and Willamette River Outfall stormwater retrofit projects.

## HISTORICAL FINANCIAL TRENDS

Revenues have been less than expenditures throughout this study period. Community Development reserves were drawn upon each year, with the largest draw in FY 2014-2015 being nearly \$110,000. A more detailed look at line item revenues and expenditures can be seen in the next section.

**Exhibit 33  
Historical Revenues and Expenditures by Fiscal Year**

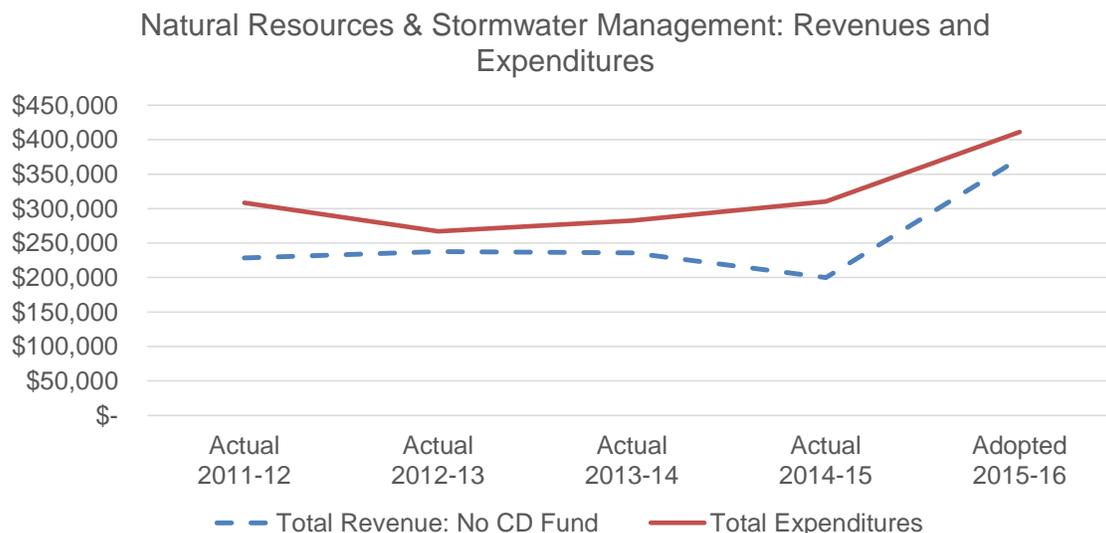


Exhibit 34 summarizes actual revenue and expenditures for Fiscal Year (FY) 2012 through 2015 and includes budgeted figures for FY 2015-2016. A few items of note:

- ◆ Through FY 2014-2015, total expenditures started and ended at approximately \$310,000, with a dip in the between years, as low as \$267,000 in FY 2012-2013. Total personnel costs have decreased by 6% per year while materials and supplies have increased by 40% per year and professional services have increased 71% per year in this same period.
  - City budget documents cite that initial increases in professional services were to help address NPDES permit requirements related to pesticide monitoring and hydro-modification assessment and retrofit strategies. Subsequent increases were to cover additional NPDES monitoring and permit related requirements under the Municipal Separate Storm Sewer System (MS4) permit.
- ◆ Through FY 2014-2015, CD Fund fund balance has been drawn upon so that total resources matched expenditures, with CD fund balance being drawn upon more in years where the combination of Interfund charges, Urban Renewal charges, and contributions from the Stormwater fund have not been able to cover total expenditures.
- ◆ For the FY 2015-2016 Adopted Budget, personnel services are projected to increase 29% and materials and services are projected to increase 43%. The 29% increase in salaries and wages is related to the stormwater engineer position that is planning to be filled mid-year.
  - To help cover this significant increase in expenditures within this division, contributions from the Stormwater Fund are expected to nearly double from its actual level in FY 2014-2015 of \$133,000 to \$275,000 in FY 2015-2016.

**Exhibit 34**

**Natural Resources & Stormwater Management Division - Financials by Fiscal Year**

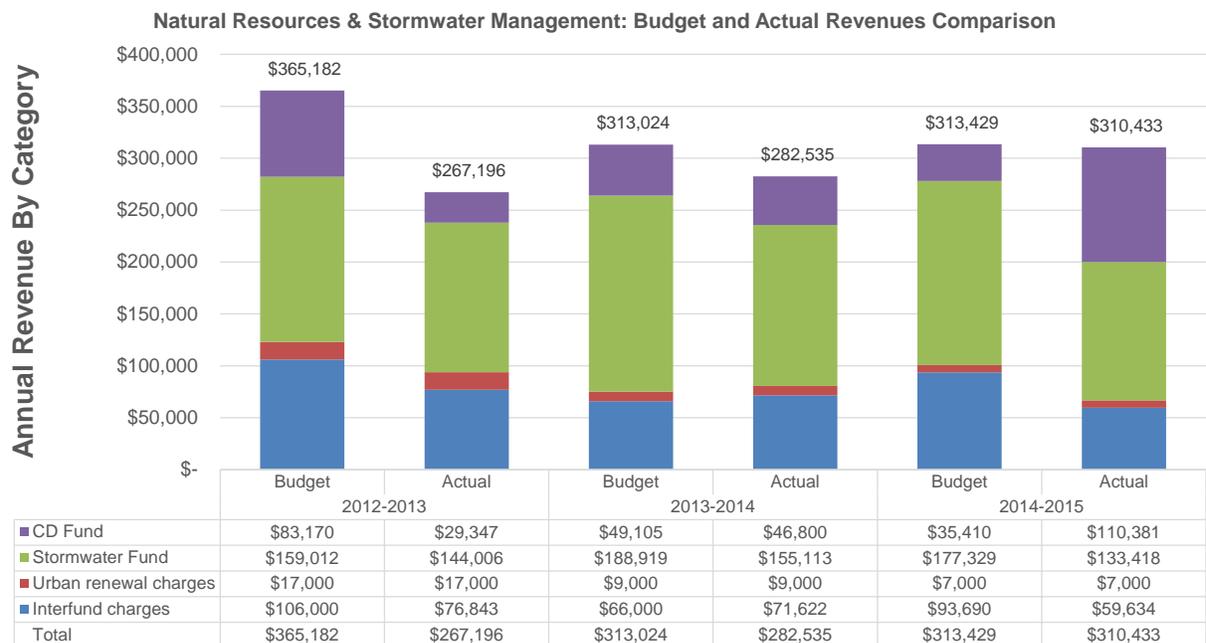
Natural Resources / Stormwater Management	Actual 2011-12	Actual 2012-13	Actual 2013-14	Actual 2014-15	Adopted 2015-16
<b>Expenditure Summary</b>					
<b>Personnel Services</b>					
Salaries and wages	\$ 188,234	\$ 140,422	\$ 144,513	\$ 149,488	\$ 182,170
Employee benefits	\$ 90,395	\$ 74,817	\$ 76,416	\$ 79,496	\$ 112,470
<b>Total</b>	\$ 278,629	\$ 215,239	\$ 220,929	\$ 228,984	\$ 294,640
<b>Materials and Services</b>					
Supplies	\$ 1,091	\$ 436	\$ 1,263	\$ 942	\$ 4,042
Prof and tech services	\$ 11,059	\$ 30,360	\$ 44,521	\$ 55,750	\$ 85,500
Utility services	\$ 1,003	\$ 940	\$ 866	\$ 915	\$ 1,520
Fleet services	\$ 2,880	\$ 2,767	\$ 2,580	\$ 2,640	\$ 2,390
Repairs & maintenance	\$ 11,870	\$ 13,050	\$ 8,770	\$ 15,573	\$ 16,743
Insurance	\$ 163	\$ 361	\$ 213	\$ 276	\$ 300
Comm svcs programs	\$ 1,672	\$ 3,115	\$ 2,065	\$ 4,590	\$ 4,636
Employee development	\$ 94	\$ -	\$ 776	\$ 391	\$ 1,030
Fees, dues, advertising	\$ -	\$ 928	\$ 552	\$ 372	\$ 515
<b>Total</b>	\$ 29,832	\$ 51,957	\$ 61,606	\$ 81,449	\$ 116,676
<b>Total</b>	\$ 308,461	\$ 267,196	\$ 282,535	\$ 310,433	\$ 411,316
<b>Resources Summary</b>					
Interfund charges	\$ 90,000	\$ 76,843	\$ 71,622	\$ 59,634	\$ 97,693
Urban renewal charges	\$ 18,000	\$ 17,000	\$ 9,000	\$ 7,000	\$ -
Stormwater Fund	\$ 120,493	\$ 144,006	\$ 155,113	\$ 133,418	\$ 275,196
CD Fund	\$ 79,968	\$ 29,347	\$ 46,800	\$ 110,381	\$ 38,427
<b>Total</b>	\$ 308,461	\$ 267,196	\$ 282,535	\$ 310,433	\$ 411,316
<b>Surplus / (Deficit)</b>	\$ -	\$ -	\$ -	\$ -	\$ -

## Budgeted Revenues versus Actual Revenues

A closer look at budgeted and actual revenues over the past three years can be seen in the following exhibit. A few general trends are noted below:

- ◆ Actual Stormwater Fund resources have been less than anticipated in each year. The largest difference was in FY 2014-2015, when budgeted support was \$177,000 but was only \$133,000.
- ◆ Actual interfund charges have been less than anticipated two out of the three years. However, in FY 2013-2014, actual charges were \$72,000 compared to a budget of \$66,000.
- ◆ Actual urban renewal charges have met budgeted expectations, but they have been a relatively small portion of the resources made available to the Natural Resources Division.

**Exhibit 35**  
**Historical Budget and Actual Revenues by Fiscal Year**

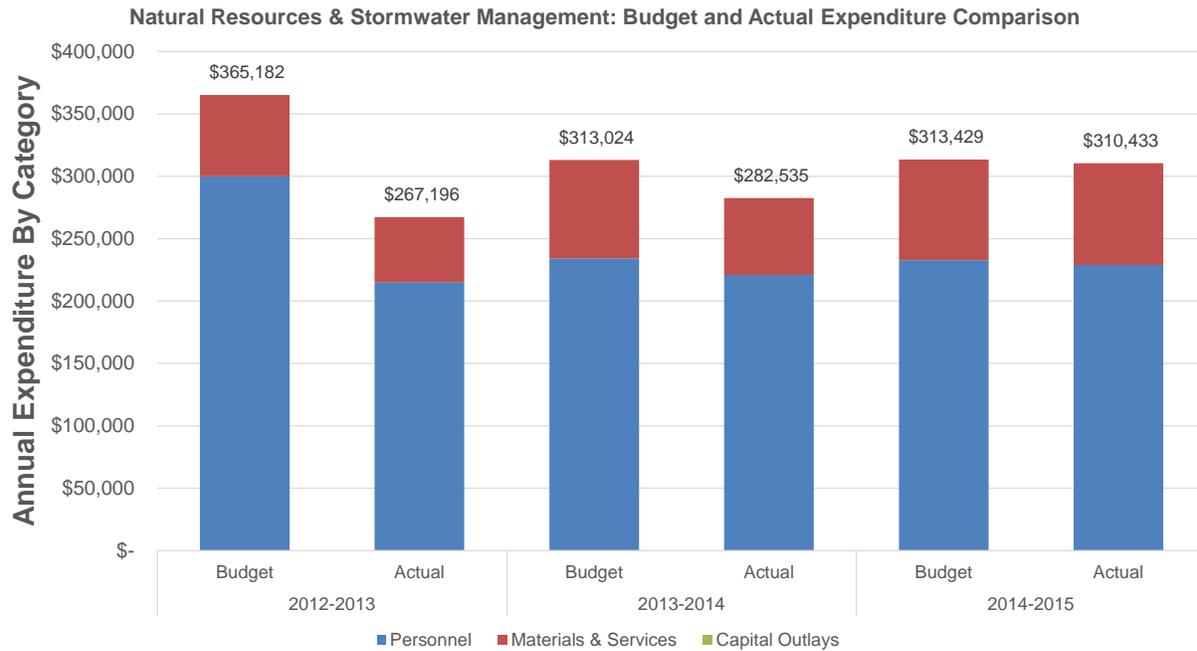


## Budgeted Expenditures versus Actual Expenditures

A closer look at budgeted and actual expenditures over the past three years can be seen in the following exhibit. A few general trends are noted below:

- ◆ Total actual personnel expenditures have been lower than budgeted expenditures in each year.
- ◆ Total actual materials and services have been lower than budgeted expenditures in the first two comparison years, but actual expenditures were slightly higher in the last year of the chart.
- ◆ Total actual expenditures have been lower than budget in every year, but the gap has been decreasing over time: \$98,000 in 2012-2013; \$30,000 in 2013-2014; and just \$3,000 in 2014-2015.
  - The personnel portion of this difference is likely due to the Environmental Education Specialist position being within the FY 2012-2013 budget, but then eliminated in the FY 2013-2014 budget. That reduced the Division's FTEs from 3 to 2 over the next two years. However, a Stormwater Civil Engineer FTE has been added to the 2015-2016 budget, which increases the FTE count from 2 back to 3 over a full year.

**Exhibit 36  
Historical Budget and Actual Expenditures by Fiscal Year**



**COST OF SERVICE AND COST RECOVERY COMPARISONS**

The previous sections analyze the overall revenues and expenditures for the Natural Resources Division, but as part of the cost of service analysis, the full costs of the fee as well as the non-fee services were identified for FY 2015. The costs also include allocations for Department administration and Citywide overhead. When these other costs are added to the Natural Resources’ costs, the total cost of service is about \$369,700 for all Natural Resources’ services. To better understand how the costs of Natural Resources’ individual services compare with the revenues associated with the Division, the actual revenues identified in the City’s budget are compared with the costs of the different services. The costs for the different services were based on the hours and hourly rates previously identified as part of the cost of service and time analysis in Chapter II, but the Division’s administrative, share of Department overhead, and Citywide overhead costs were allocated only within each CD division.

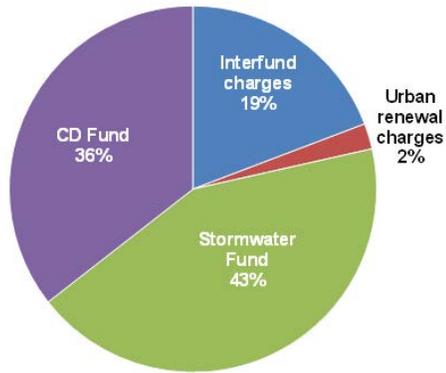
Based on an analysis of the identified Natural Resources revenues compared to the cost of its different services, there seems to be an imbalance between the revenue sources and each service’s costs.

- ◆ At 75%, stormwater services represent most of the division’s costs but the Stormwater Fund only provides 43% of the revenues.
- ◆ Work on capital projects represented 17% of the costs, and interfund charges including urban renewal funds provided 21% of the revenues.
- ◆ The CD Fund provided the remaining 36% of the revenues to pay for non-development services code development, planning and engineering permit work, and long range planning services.

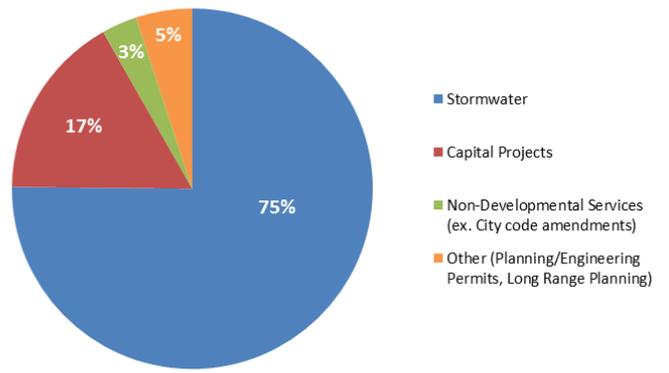
Exhibit 37 shows the percentages of FY 2015 revenues along with the cost percentages of Natural Resources’ different services.

**Exhibit 37**  
**Percentage Breakdown of Natural Resources' FY 2015 Revenues and Costs**

**Revenues**



**Costs**



## CHAPTER VII: FEE SURVEY

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To help evaluate its fees, CD's Planning and Engineering fees were compared to other jurisdictions to assess how high or low its fees are relative to neighboring or similar jurisdictions. Based on input from CD staff, fees were compared with Hillsboro, Sherwood, Happy Valley, Tigard, and West Linn. It should be noted that only the fee schedules were used, and City staff conducted additional research to determine whether the jurisdiction is fully recovering its costs or has policies that allow less than full cost recovery. A sample of the most common CD planning fees was compared with the other jurisdictions. The following are the highlights of the comparisons, and the fee survey with all fee comparisons can be found in Appendix B.

Fees are far from uniform and difficult to compare across cities. We reviewed fees for the Cities of Hillsboro, Sherwood, Happy Valley, Tigard, and West Linn. There were certain cases where there was either no comparable fee or the fees were not clearly comparable.

### PLANNING FEE COMPARISONS

- ◆ Overall, the City's cost of service fees are comparable to other cities surveyed except for two areas which are higher cost: sign permits and tree removal permits. The existing City fees are generally the lowest or close to the lowest in the cities surveyed. Additionally, the City does not use construction value as a basis for determining permit fee costs as often as other cities.
- ◆ The City generally has more fees and a more comprehensive classification by fee category than other cities surveyed. For example, there are 10 proposed tree removal fees in the tree removal fee category whereas other cities have between two and four. These 10 categories are based on the type/quality and quantity of trees being removed. While other cities differentiate fee amounts by quantity of trees removed, there is rarely a fee differentiation based on the type/quality of tree being removed.
- ◆ The administrative review fee is one of the most common fees and the hardest to compare to other fees. The cost of service fees are generally lower than the cities surveyed except for Tigard. Other fees are based on construction value whereas Wilsonville does not use construction value.
- ◆ There are more planned unit development fees in Wilsonville than other cities, but the cost of service fees are generally of comparable scale.
- ◆ Broadly, sign and tree removal permits are more expensive (both existing and cost of service) and more finely differentiated in Wilsonville than in other cities.
- ◆ Although Lane County was not included in the fee survey, Lane County has a 13% surcharge on all of its permit fees to help support its long range planning costs. The surcharge was originally established in 1999.

### ENGINEERING FEE COMPARISONS

- ◆ The Engineering division in Wilsonville charges far fewer fees than comparable cities. This may be because the building and engineering divisions are separated.

- ◆ The City’s existing public works permit (permit fee and plan review) combine to 7% of the valuation of the total project cost. This is identical to the City of Tigard and in the middle of all of the cities surveyed. Hillsboro, Happy Valley, and Sherwood all have higher fees. Hillsboro and Happy Valley have a more complicated formula to determine total permit costs.
- ◆ The right of way permits are similar to Happy Valley and are less complicated than Sherwood and Hillsboro.

After a January 2016 Council briefing on planning fee cost recovery, additional research was conducted by the City staff to determine the cost recovery goals and percentages for the cities included in the initial survey. Exhibit 38 shows each city and its desired cost recovery level and the most recent estimated cost recovery percentage.

**Exhibit 38  
Comparison of Planning Fee Cost Recovery Goals**

<b>City</b>	<b>Cost Recovery Goal</b>	<b>Most Recent Cost Recovery Available</b>
Happy Valley	100%	Not Available
Hillsboro	No policy	12.5%
Sherwood	No policy	61%
Tigard	Large complex reviews-100% Lesser reviews – 50% Certain fees (e.g. pre-apps) – \$250-\$300	Not Available
West Linn	No policy	21%

# CHAPTER VIII: COMMUNITY DEVELOPMENT

## FUND ISSUES

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As part of the scope of work, the City also included a number of issues and best practices that it wanted to address. Based on the analyses in the previous chapters, these issues are important factors in maintaining the sustainability of the CD Fund and include the following: the hourly rate, methodology, financial reserve and contingency policies, and work process and data capture methods.

### HOURLY RATE METHODOLOGY

There are a number of methods for calculating hourly rates, but a major objective of any hourly rate is to recover all the costs associated with a specific employee, group of employees, or job classification. The costs include salaries, benefits, various overhead costs, and any non-labor costs. One source of best practices related to hourly rates is the American Public Works Association's (APWA) manual titled, "The Concise Manual for Calculating Public Fleet Rates." While this manual is specifically tailored for public fleet cost recovery, the hourly rate methodology and best practices are also applicable to the City's CD staff, whose labor and non-labor costs need to be recovered through the use of an hourly rate.

Whether or not each employee has a unique hourly rate versus having hourly rates grouped by organizational unit (Engineering Division or Planning Division) or job classification is a policy decision that should be determined and documented first by the City. However, based on FCS GROUP's experience within the industry, a fairly common industry practice is to use unique hourly rates for different types of positions within each organizational unit. An example structure could resemble the following: engineering manager, senior engineering technician, engineering technician, civil engineer, and support staff.

The following points outline several best practices to consider when developing hourly labor rates:

- ◆ Hourly labor rates are typically used to charge time for work on capital projects or for work on direct-service related activities within or outside of an employee's organization unit.
- ◆ The numerator for an hourly labor rate typically includes salaries and benefits and other related expenses that support an employee, such as materials, supplies, and overhead costs.
  - Direct labor costs within division;
  - Non-labor direct costs within division;
  - Internal, indirect labor or support staff within the division; and
  - External overhead from either the Community Development Fund or Citywide allocations, such as fleet, space, IT, HR, etc.
- ◆ To arrive at an hourly rate that recovers the total cost, the denominator is typically divided by total *billable* hours. Care should be taken to distinguish between *paid* hours and *billable* hours.

Billable hours are paid hours directly associated with a specific work task that has been provided to a customer or capital project.

For example, a hypothetical work year for a full-time employee is the following:

- ◆ 40 hours per week x 52 weeks per year = 2,080 paid hours
- ◆ 2,080 hours - 250 off hours (vacation, holiday, sick, etc.) = 1,830 available hours

After accounting for “off hours” (hours not in the office), the available hours should be adjusted to account for time spent on the job but not spent on billable activities. Non-billable, or overhead activities, could involve training, meetings, other educational tasks, administrative time or similar activities. This can be accomplished through estimating the actual hours spent on non-billable activities. Based on the City’s current hourly rate model, administration time averaged between 500-600 hours for the 28 employees listed. For simplicity, 500 hours is assumed for this example:

- ◆ 1,830 available hours - 500 overhead hours = 1,330 billable hours.

If the salaries, benefits, and allocated non-labor costs in this example total \$100,000, the correct hourly rate would be approximately \$75 per hour, assuming the 1,330 billable hours as the denominator. If the 2,080 paid hours were used as the denominator, the hourly rate would be \$48 per hour, which when applied to the actual number of billable hours, would recover only \$64,000.

Another example, taken from “A Pocket Guide to Business for Engineers and Surveyors”, cites the potential use of a “utilization factor.” This resource cites that a typical project manager may expect to be 85% billable, whereas more technical staff are often over 90% billable. If hourly estimates cannot be developed using actual time data, a utilization factor might be easier to estimate. This could be applied to total available hours, as shown below. The value of 70% is used in this hypothetical example because it is a round figure that roughly approximates the billable hours in the previous example.

- ◆ 1,830 available hours x 70% productivity = 1,281 billable hours

The more accurate the projections of available hours and billable hours, the more likely that an individual staff member or collective division will be able to recover its costs.

## Overview of the City’s Current Hourly Rate Model

Industry best practice recommends recovering labor costs through an hourly rate, based on the projected number of billable hours. Billable hours are a subset of paid hours, after non-billable time such as vacation, sick leave, and general administrative activities are netted out of total paid hours. Community Development’s hourly labor rates are generally consistent with these best practices.

The model provides input areas for employee names and their projected salary and benefits. The model then incorporates and allocates other non-labor costs that support these employees, such as ‘materials & services’ and fleet services. These costs are then summed together to provide the total cost numerator. The model then adjusts total paid hours down from 2,080 after netting out leave and administrative duties.

Exhibit 39 shows a snapshot of the City’s current hourly rate model. Only four employees are shown below, but the actual model continues beyond the snapshot, containing data for 28 employees.



The observations are organized by cost category. If an over or under allocation is noted for the cost category, which affects the rate numerator, that is noted as well. One suggestion would be to add a “calculation check” column to confirm if the “amount to prorate” is actually proven to be fully allocated.

The model allows entry for the amount to pro-rate (cost) and the number to pro-rate (allocation methodology), which generates the cost per unit. For example, the Receptionist’s Salary of \$74,673 is pro-rated based on the number of employees served, which is input as 28.1 FTEs. This equates to \$2,657 per full time employee. One issue is that while the cost is allocated over 28.1 employees, the \$2,657 is only recovered from 27 employees, resulting in an under-recovery of \$2,923.

The following exhibit examines each line item under “Supplies & Services” and documents any questions or observations. Rows containing a red “Question” or “Under/Over Allocation” text, note a particular line item where there was an observed under- or over- recovery, or some other data question that could be important to review during a future update.

**Exhibit 40  
Hourly Rate Model Observations**

Supplies & Services	Observations
Salaries & Benefits	<ul style="list-style-type: none"> <li>Assumed to be accurate.</li> </ul>
Receptionist's Salary	<ul style="list-style-type: none"> <li>Unit cost based on 28.1 FTEs, but is only recovered from 27 staff members.                             <ul style="list-style-type: none"> <li>28 employees are shown, one of which is the receptionist position that is not allocated a share.</li> </ul> </li> <li>Cost allocated as if each staff member is one FTE regardless of hours worked (some staff positions had 935 hours compared to 2,080).</li> <li>Only \$71,750 is allocated but the total cost is shown to be \$74,673. Under-recovery of \$2,923. <b>(Under Allocation)</b></li> <li>Potential improvement would be to spread cost by relative hours instead of per staff member. Total shown staff hours of 55,950 equates to 26.9 FTEs (assuming 2,080 per FTE), and when the Receptionist’s own hours are excluded, that total is reduced to 53,870, or 25.9 FTEs.                             <ul style="list-style-type: none"> <li>Using 25.9 FTEs compared to the current input of 28.1 FTEs increases the amount allocated to each employee, from \$2,657 to \$2,883.</li> </ul> </li> </ul>
CD Admin Fleet Services Charges	<ul style="list-style-type: none"> <li>Assigned to vehicle users; assumed to be accurate.</li> </ul>
CD Admin Material & Services	<ul style="list-style-type: none"> <li>Unit cost based on 23.5 FTEs, but is only recovered from 23 employees.</li> <li>Only \$179,082 is allocated but the total cost is shown to be \$182,975, under recovery. Under-recovery of \$3,893. <b>(Under Allocation)</b></li> <li>Potential improvement would be to spread cost by relative hours instead of per staff member, as some staff members are full-time while others appear to be part-time.</li> </ul>
Engineering Fleet Services Charges	<ul style="list-style-type: none"> <li>Assigned to vehicle users; assumed to be accurate.</li> </ul>
Engineering Material & Services	<ul style="list-style-type: none"> <li>Equally spread to Engineering staff members, and all engineering staff in the model are shown to be full-time. If part time engineering staff are brought on in the future, these costs should be allocated based on relative hours and not equally per employee regardless of hours worked. <b>(Question)</b></li> </ul>
Planning Materials & Services	<ul style="list-style-type: none"> <li>The “Cost per unit” is shown to be \$13,763 but only \$13,520 is shown for each planning staff member.</li> <li>Only \$108,160 is allocated but the total cost is shown to be \$110,100. Under-recovery of \$1,940. <b>(Under Allocation)</b></li> </ul>

Supplies & Services	Observations
Building Vehicle Operating & Replacement Costs	<ul style="list-style-type: none"> <li>Assigned to vehicle users; assumed to be accurate.                             <ul style="list-style-type: none"> <li>Confirm 5 FTEs in Building, but only 3 use vehicle? (Question)</li> </ul> </li> </ul>
Building Materials & Services (Less Fleet)	<ul style="list-style-type: none"> <li>Unit cost based on 5 FTEs; costs recovered from five staff members that work full time.</li> </ul>
Direct Charge – Nancy	<ul style="list-style-type: none"> <li>Manual input of \$7 per hour. Results in \$227,955 being recovered but the original cost of Nancy’s salary and benefits is shown to be \$181,568 in cells G2:G3 of the Rate Methodology tab. This is based on 32,565 direct hours, which excludes Nancy’s direct hours. Over-recovery of \$46,387. (Over Allocation)</li> <li>Rather than recover this cost through a dollar-per-hour add-on after the hourly rate is calculation, it’s suggested that this cost be allocated just like every other cost in this model. Because employees have varying levels of billable hours, the actual rate to recover this cost ranges from \$3.37 to \$7.35 per hour.</li> </ul>

### Time Input Assumptions

The City’s hourly rates model assumes 2,080 paid hours per year for each full time employee. Two part-time employees are assigned 935 paid hours. Assumptions regarding leave and administrative duties were made for employees within the model. These inputs are then compared to actual time data from the most recent full year of data available. Actual leave data related to Jury Duty, Bereavement Leave, or Comp time were excluded from this analysis as they did not fall under the vacation, sick, or holiday leave categories. The following sections compare full-time employees only.

#### ◆ Vacation Leave:

- Hourly Rate Model Assumption: The rate model assumes a range of between 80 and 176 hours, with an average of 112 vacation hours per year.
- Actual Time Data: City data indicate that the range was actually between 41 and 211 hours, with an average of 127 hours.
- Impact: If the average employee uses more vacation hours than assumed in the hourly rate model, that would result in less hours at work and presumably less billable hours. This would *raise the hourly rates*, all other factors being equal.

#### ◆ Sick Leave:

- Hourly Rate Model Assumption: The rate model assumes all employees take 96 hours of sick leave per year.
- Actual Time Data: City data indicate that the range was actually between 8 and 158 hours, with an average of 74 hours. With a median of 57 hours, this suggests that a few employees had significant sick leave, compared to average).
- Impact: If the average employee is using less sick leave than assumed in the model, that would result in more hours at work and presumably more billable hours. This would *lower the hourly rates*, all other factors being equal.

#### ◆ Holiday Leave:

- Hourly Rate Model Assumption: The rate model assumes all employees take 80 hours of holiday leave per year.
- Actual Time Data: The City’s data indicate that the range was actually between 56 and 98 hours, with an average of 77 hours.



planning employee, only \$13,520 is shown. If these results were dynamically linked within Excel, this type of error could be avoided.

- ◆ Allocate costs based on relative hours instead of spreading costs equally to each staff member as if each employee were being paid for 2,080 hours.
  - For example, one employee that was paid for 935 hours was allocated a \$7,786 share of “CD Admin Material & Services” while other employees that were paid for 2,080 hours were also allocated a \$7,786 share. An employee that works full-time may use more materials and services than an employee that works half-time, and paid hours can provide a rationale proxy for relative use.
- ◆ To the best of staff’s ability, populate the hourly rate model with recent actual data regarding leave and administration time, while incorporating any known material changes for the upcoming rate cycle.
- ◆ While the City’s current model calculates a unique hourly rate for each employee in the Community Development Fund, there are other alternatives, which were previously noted:
  - Maintain different hourly rates by Division, such as Engineering and Planning;
  - Maintain different hourly rates for different types of positions such as director, senior project manager, project manager, civil engineer, and support staff; or
  - Incorporate a hybrid approach that has positional rates that may be unique to each division.

## RESERVE AND CONTINGENCY POLICIES

The reserve and contingency policies within this section are based on FCS GROUP experience as well as incorporating industry best standards from respected sources such as the Governmental Finance Officers Association (GFOA), which is a professional association serving local government finance officials in Canada and the United States. The GFOA publication, Governmental Accounting, Auditing, and Financial Reporting (GAAFR), notes that government funds report up to five different components of fund balance: non-spendable, restricted, committed, assigned, and unassigned. For a capital replacement reserve, the committed or assigned categories might be appropriate for such a reserve contained within the CD Fund. If all the revenues are treated as just revenue, more revenue might be collected than what might be needed just for operating expenses.

In general, there are two primary purposes of reserves in a city government.

1. First, reserves can serve as a *capital funding mechanism*—saving up for a capital expenditure in advance of the need is an alternative to borrowing. Like debt, building reserves create a smooth pattern of expenditures over time. Unlike debt, building capital reserves allows the city to earn interest rather than paying interest, and it preserves financial flexibility.
2. Secondly, reserves can be used to *mitigate risks* of various types, such as the risk of a revenue disruption or a sudden, compelling expenditure. For example, a healthy fiscal stability reserve can soften the economic effects of a downturn in the local economy, giving the city more time to make budget adjustments. A financial cushion does not mean that a city can entirely avoid difficult choices, but the reserve does give time for a “soft landing” in the event of a crash.

The GFOA has prepared statements of “best practices” to guide local governments in developing their policies and standards. The best practice statements are “soft recommendations” because they acknowledge the variety of local circumstances that local governments can face. However, they are a useful benchmark to consult when developing financial policies and provide valuable minimum targets to consider.

Three of the best practice statements that might be relevant to the topic of the variability of revenue and fund balances include the following:

- ◆ “Determining the Appropriate Level of Unrestricted Fund Balance in the General Fund” (October 2009);
- ◆ “Replenishing Fund Balance” (February 2009); and
- ◆ “Determining the Appropriate Levels of Working Capital in Enterprise Funds” (February 2011).

#### **GFOA Best Practices for Operating Reserve - General Fund**

With respect to the unrestricted balance in the General Fund, the GFOA Best Practice Statement says that “GFOA recommends, at a minimum, that general-purpose governments, regardless of size, maintain unrestricted fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures.”

In arriving at the two month guideline (which is nearly 17%), the GFOA was considering a wide range of contingencies that could become the responsibility of the General Fund, including:

- ◆ The predictability of its revenues and the volatility of its expenditures;
- ◆ Its perceived exposure to significant one-time outlays (e.g. disasters, immediate capital needs, state budget cuts, etc.);
- ◆ Potential drain upon general fund resources from other funds;
- ◆ The necessity to have resource liquidity; and
- ◆ Other known commitments and assignments.

#### **GFOA Best Practices for Operating Reserve - Enterprise Fund**

The GFOA Best Practices statement for enterprise funds such as the water or sewer utilities states that “under no circumstances should the target for working capital be less than forty-five (45) days’ worth of annual operating expenses and other working capital needs of the enterprise fund.”

In arriving at the forty-five day guideline (which is equivalent to about 12%), the GFOA was considering a wide range of contingencies that an Enterprise Fund may want to consider:

- ◆ Strength of collection practices;
- ◆ Historical consumption of inventories and “pre-paids”;
- ◆ Level of support from general government;
- ◆ Obligations to other funds through transfers out;
- ◆ Cash cycles based on revenue or expenditure trends;
- ◆ Number of customers and ability to pay;
- ◆ Steadiness of demand for services;
- ◆ Control over rates and revenues;
- ◆ Asset age and condition;
- ◆ Control over expenditures;
- ◆ Redundancy of separate targets for operating and capital needs;
- ◆ Management plan for working capital; and

◆ Debt position.

The GFOA's best practice statements previously mentioned were oriented to the minimum balance of the operating fund, and it did not specifically address capital funds. The Moody's and Standard and Poor's rating criteria lump capital reserves, stabilization reserves and operating reserves together in their "liquidity" test; they do not offer guidance about liquidity that is specific to a capital fund's responsibilities.

Unlike many of the services supported by the General Fund, the demand and the resulting revenues for development services are related to the economy and the amount of development activity occurring. Development fee revenues as well as other development related revenues can fluctuate with the economy, and forecasting such revenues can involve a number of factors because of the methodology used to calculate fee revenues. As shown in Chapter III, engineering fee service revenues exceeded the costs related to those services in FY 2015, but planning fee services only recovered 45% of their costs.

Since CD planning, engineering, economic development, and natural resource services are managed as a separate special revenue fund, managing a fund balance and identifying needed reserves can be used to strategically address key financial issues for development oriented fee services. The purpose of financial reserves for a development services fund is to improve management of cash flow from year to year and to improve the financial stability for services that are subject to the economic cycles related to the housing and commercial construction industry. There are several considerations related to operating a separate fund. For working capital cash, the Government Finance Officers Association recommends a working goal of 17% (i.e. 60 days or two months cash reserve) of fund expenditures. Based on the cyclical nature of the housing and construction industry, there can be three other fund balance reserve categories besides a fund's working capital that can be used to assure more financial stability for the City's planning and engineering services. In addition to basic working capital, reserves can also include amounts for deferred workload liability (i.e. pre-paid work), core staffing, and technology funding.

The deferred workload liability is created when a planning or engineering fee is collected in one year when a permit application is submitted, but services such as inspections associated with the permit are provided in the next year. The deferred liability is funded by revenues paid in advance and is not a reserve component that needs a funding source. However, such advance payments are included as part of a fund balance at the end of the year and may overstate the actual fund balance available to use for other purposes. This deferred workload liability is especially important to recognize when there is a fund balance at the end of year and when construction is rapidly declining such as it did in 2008. If these carryover permits still need to be processed, the additional fund balance from the previous year's payments can delay the necessity to reduce the CD Fund budget. In contrast, when the economy is growing after a severe recession as recently experienced by the Department and when staffing has been reduced, workload backlogs can occur because the City has not yet increased staffing to accommodate the workload growth. Consequently, costs remain about the same, but the increased revenues can result in a higher cost recovery rate that does not reflect the deferred liability, longer processing times, or an increase in work backlog.

In addition to accounting for the deferred liability, a separate fund balance reserve can also be used to support core staffing needs. A core staffing reserve ensures that minimum staffing levels are maintained for each function during times when there is a significant decrease in workload and revenues. When workload and revenue reductions occur, management can take a number of steps to balance the budget such as adjusting staffing levels, raising fees, or using other funding (e.g. General Fund). However, given the cyclical nature of development work, the time needed to hire new staff, the new staff training time, and the demand for timely permit processing when the economy improves, CD might not want to reduce staff or raise fees too quickly if a downturn in the economy is forecast for only a short period of time. A core staffing reserve can be used to stabilize fees and maintain essential levels of expertise and service for a specific period of time before making more drastic changes, if necessary. A minimum one year reserve for current planning services might be desirable. If based on the CD's FY 2015 current planning

expenditures, a one year core staffing amount would be about \$742,500 including overhead amounts. This amount could be a target that could be funded over several years.

The last potential reserve for a CD Fund is to establish a reserve for technology improvements. If the CD Fund has to pay cash for a new or updated permit system, the CD Fund will need to start generating reserves for the system. The Department could rely on raising fees over the next several years or it could add a technology fee to fund a separate technology reserve account within its fund balance. The funding to support a technology reserve can occur by implementing an annual surcharge on all permit fees paid to the CD. If fee revenues increase and more reserve funding is collected sooner, CD can always reduce the annual surcharge. The added revenue provides a funding source for technology improvements that specifically benefit the users of the services provided by the CD Fund rather than having the General Fund pay for technology that only benefits a specific group of City customers.

## Reserve Observations

An *operating reserve* is also referred to as a “minimum operating fund balance” or “minimum working capital.” It is defined by its short-term time frame, within a given fiscal year. It provides a buffer against fund balance fluctuations created by revenue shortfalls, unanticipated expenditures, and the timing gap between when conditions change.

The short-term nature of the operating reserve is such that there are no defined conditions of use, because drawing on the operating reserve is not a conscious decision; it is simply part of the fund balance fluctuations during the sixteen-month period between when a budget is readied for adoption and the end of the fiscal year. The operating reserve should be self-correcting each year—that is, if the actual Operating Fund balance is projected to drop below the target by year-end, then the following year’s budget should automatically aim to restore the minimum operating fund balance.

While the Community Development Fund isn’t a “general fund” or “enterprise fund”, the contingencies noted in each of the above sections may provide guidance in helping determine an appropriate level of reserves for the CD fund and the particular issues it is anticipated to be facing.

## WORK PROCESSES AND DATA CAPTURE METHODS

To determine the cost of service for CD’s different services, employee time data were a critical element, and for CD, it is also a key component in assuring that it receives the proper amount of revenue from the different City funds that support CD’s services and activities. The timesheet data for the study came from the City’s Time Trax system. The City has since converted to a different timesheet software, Replicon, and by making the software change, certain problems in Time Trax have been addressed. However, there are several problems that might still need to be addressed such as:

- ◆ Inconsistent timekeeping practices among employees;
- ◆ Inability to distinguish between permits and specific projects; and
- ◆ Inconsistency in the naming/classifying conventions used.

The employees do not code their time in the same manner, and this issue is widely recognized among employees and supervisors. Consequently, there is no consistent timekeeping practices, and depending on how each employee codes his or her time, the charges to the CD Fund’s revenue sources might not reflect the actual work performed. The inconsistency applies to the tasks and classification, which can be interpreted differently by employees. For example, one engineer coded his time as field work or project management when it should have been under the engineering valuation task. He did this because he felt the tasks he chose represented the type of work he did.

The timekeeping software can also cause inconsistent timekeeping practices by providing multiple ways to code the same time. For example, there is an NB task for vacation and sick leave. However, there is also a classification for each of these activities.

One of the most critical areas in determining the cost of service for the Department's two major services is to distinguish between the permit services for planning and engineering and the City's capital projects. For the permits there is no clear link between specific permits and the "PT" project because a project can have more than one type of permit for the same project. This means that it is very difficult to identify the hours spent on a specific type of permit and to calculate the actual permit cost. It also means that the PT projects vary widely in scope. If it is a City project that requires a permit, the time might be charged to the City project so it is difficult to determine the permit time.

Overall, there is an inconsistency in the naming conventions for the timesheet data. Several of these issues include the following.

- ◆ Unclear Naming Structure for Projects. The project names are varied in their wording and use. For example, projects associated with Villebois are sometimes given the name 'Villebois' and other times given the name 'VB'. This may only be an issue for observers outside of the department, but shows inconsistent naming conventions.
- ◆ Inconsistent Project Classification. It unclear what PT means and what the goal of classifying a project under PT is. Additionally, capital projects connote two types of capital projects: public and private. A subcategory of project classification, NB, is discussed separately below.
- ◆ NB Categories Are Varied and Are Not Necessarily 'Non-Billable'. There is one category code, NB (non-billable), which varies widely in its use. This category includes administrative time but also services that are technically billable to another department. While capital projects (billable to respective departments) receive a specific project number, NPDES permits (billable to the stormwater utility) are in the NB category.

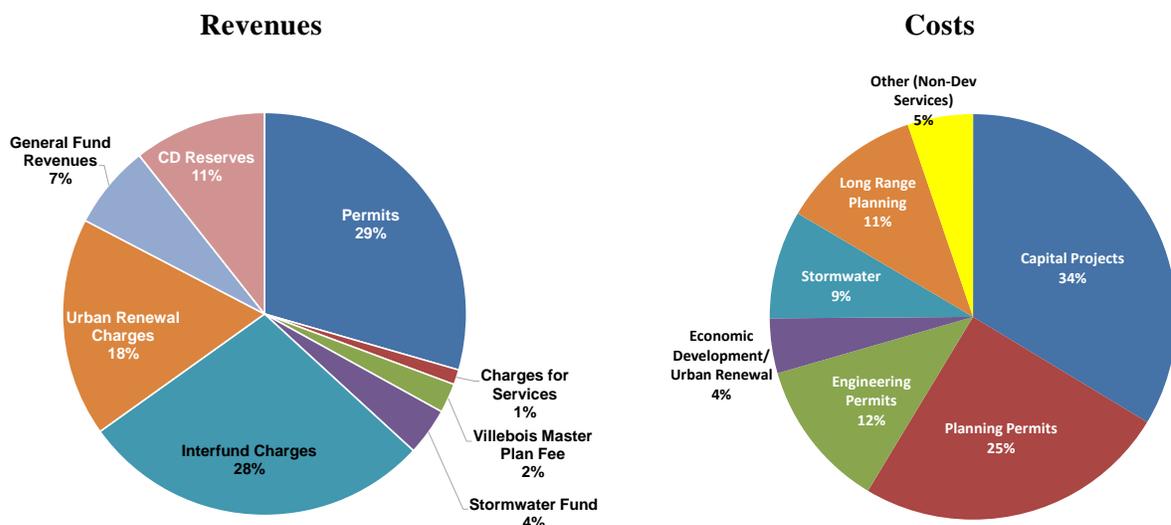
Although the City has changed its timekeeping software, there are a number of issues that the City needs to consider in setting up the naming conventions and the different details associated with the timekeeping.

- ◆ What are the objectives and goals for the timekeeping system?
- ◆ At what detailed level does the City and department management want to track time? Should time be tracked at a high level such as long range planning, current planning permits, or engineering permit review or should time be tracked by individual type of permit (e.g. Administrative Review – Class I) or service/activity (e.g. Franchise permits, code enforcement)?
- ◆ How will the time data be used?

# CHAPTER IX: OBSERVATIONS AND STRATEGY RECOMMENDATIONS

The preceding chapters identified several different issues and opportunities to improve the Community Development Fund's financial sustainability. Exhibit 42 provides a general CD Fund overview about how the costs of the different services compare with the revenues supporting each service, and it shows the overall proportion of costs and revenues devoted to each service category and revenue source.

**Exhibit 42**  
**Actual FY 2015 Revenues Compared to Actual Costs by Activity**



Based on the above exhibit and preceding chapters an overall a summary of the observations includes the following:

- ◆ Planning and Engineering development fees recovered overall about 82% of the cost of service for processing development services permits.
  - Planning fees recovered only about half the FY 2015 current planning costs and did not even recover enough to offset the direct costs.
  - In contrast to planning fees, Engineering fees recovered more than the overall engineering costs to provide such services in FY 2015.
- ◆ Besides the difference between the FY 2015 development services costs and fees, there was also an overall imbalance between the FY 2015 costs of services provided by the different divisions and the revenue sources supporting each division.

- For Planning, General Fund activities and services for long range planning and code amendments represented about 30% of the costs, but General Fund revenues only represented about 27% of the revenues. Other General Fund services such as code enforcement represented about 2.5% and were supported by CD Fund reserves.
- Engineering's capital project costs represented 61% of the division's costs, but only 56% of the revenue came from the interfund charges and urban renewal funds.
- For the Administration Division's Economic Development/Urban Renewal program, 48% of the costs related to economic development and urban renewal, but urban renewal funds provided only 37% of the revenues and CD reserves needed to offset the costs associated with planning permits and long range planning services provided by the Administration Division staff.
- For Natural Resources stormwater services represented 75% of the costs, but the Stormwater Fund only provided 43% of the revenue.
- In some cases when a revenue category is higher than budgeted and another revenue category is lower, it might mean that because staff time is limited more time is spent on one service at the expense of another service, which affects revenues that are based on hourly charges.
- ◆ Although revenue forecasts are generally conservative, permit fee revenue over the last few years has often been significantly higher than the amount budgeted.
- ◆ The hourly rate model and methodology need to be improved. The hourly rates are critical for determining Engineering revenues and other revenues based on hourly charges.
- ◆ In conjunction with the hourly rate model, the timekeeping process also needs improvement, and with both improvements, the costs can be more closely aligned with the revenues and charges.
- ◆ The City has opportunities to establish CD Fund reserves and provide for contingencies by applying various surcharges.

## SUSTAINABILITY STRATEGIES

Based on the previous analyses and the above observations the City needs to implement a number of strategies to enable the CD Fund to become more sustainable and self-sufficient. There are three overall strategic categories that the City needs to address in the future: improving management and operational processes, increasing cost recovery on fee related services, and enhancing revenues. Within each of these categories, there are several specific strategies and actions that the City can take to improve the Fund's ability to achieve a closer relationship between its costs and the revenue sources that support its services.

### Management and Operational Processes

The first step to achieving the Fund's sustainability is to improve some critical management and operational processes and tools. Based on the analyses and observations for the different divisions, there are a number of management and operational processes that the City needs to improve.

- ◆ Timekeeping;
- ◆ Hourly rate calculations; and
- ◆ Workload and revenue forecasting.

The observations and review of the specific issues show that there are two significant areas that are critical to improving cost recovery and revenues. The timekeeping system and the hourly rate calculations represent the foundation for other improvements because they provide the basis for

identifying the services provided and the cost and revenues associated with those services. Workload and revenue forecasting are the other management and operational tools that might help the CD Fund's management.

### Timekeeping and Hourly Rate Calculations

As previously discussed in Chapter VIII the Department's timekeeping system needs to have more distinct and readily identifiable categories for employees to enter their time in the system, and specific guidelines and definitions should be in place so employees all follow the same guidelines. It needs to be emphasized to the staff that incorrect time billings can result in funding problems for the Department. Because work on City capital projects, stormwater issues, and urban renewal is charged to or is reimbursed by other City funds, it is important that the time is recorded correctly. Because the time records are compiled manually to determine the amount to charge the other funds, it is important that the time be easily identifiable for each fund or project and that staff are using categories that will accurately show their time associated with the services provided.

Like timekeeping, the City had previously identified hourly rate calculations as needing improvement. Once the timekeeping is done accurately, the amount to charge and to reimburse depends on the hourly rate used. In Chapter VIII improvements were recommended for the Department's hourly rate model and calculations. These improvements included the following:

- ◆ Modeling improvements;
- ◆ Assumption changes;
- ◆ Inclusion of all costs; and
- ◆ Options for using different hourly rates by position or division.

### Workload and Revenue Forecasting

Compared to the budgeted revenues for the last few years, the actual revenues in some categories have been significantly higher. In addition the mix of revenues compared to the cost of the services provided has been out of balance. While there may be some issues and projects that are unexpected during the year, it appears that there is a need to better align the workload and the resulting revenue, which will occur if the time keeping and hourly rate improvements are made. Because a large portion of the CD Fund revenues are related to time spent or allocated to different funds for capital improvements, improving workload and revenue forecasting and budgeting might help improve the Fund's finances and create more certainty and accountability about how and what services will be funded and the amount of work expected to be accomplished.

The number of staff in each division is not so large that developing a staff workload and revenue forecast should not be too difficult. The Division managers might already have some methodology that they use to currently forecast revenues and staff needs and assignments, but based on the results, improvements are needed. For planning fee services the hours needed for each type of fixed fee permit can now be forecasted by position and division based on the baseline data provided in Chapter III. For example, a Class II Sign Permit involves 7.6 hours from Planning staff and three hours from Engineering staff. Depending on the number of these types of permits, the staff hours needed by position can be calculated for the year. Recommendations to improve the workload and revenue forecasting include the following:

- ◆ In conjunction with the Department's Building Division, both Planning and Engineering should work with the major developers, especially the Villebois developers, to determine and estimate the volume and value of the Building and Planning permits anticipated in the coming fiscal year. The building valuation is especially critical for Engineering because its plan check and inspection fees are based on valuation which is also how Building fees are calculated. There should be some

consistency between the two revenue sources. Engineering permit fees have been substantially underestimated by almost 90% over the past two fiscal years. In contrast, the Building Inspection Fund's actual FY 2015 permit revenues were only higher than the budget forecast by about 5%, or \$57,100. For Planning, the number of anticipated planning type permits also needs to be forecasted especially since the largest volume of permits processed relate to Villebois and other single family homes. Based on the position and processing times identified in this report, the number of staff hours needed to process the various permits can be calculated.

- ◆ For the Engineering, Administration/Economic Development, and Natural Resources staff, capital project work represents a significant amount of their time and effort. As part of an overall workload planning effort, the capital projects and the urban renewal projects and plans also need to be identified, and each project should have staff hours assigned to each project based on realistic assumptions about the status and phasing of each project.
- ◆ The Stormwater Fund should provide enough funding to support the general Natural Resources staff activities associated with stormwater issues and services separate from any capital projects.

### Reserves

Another financial management practice and policy improvement involves how CD Fund reserves are used. The GFOA discusses reserves in its article on "Building a Financially Resilient Government through Long Term Financial Planning". The article notes that one of the essential characteristics of a resilient system is redundancy, which includes maintaining a reserve policy to prevent use of recurring expenditures and to specify the purpose of reserves. It notes that "Fund balance, or reserves, are key to redundancy... A policy should prohibit fund balances from being used for recurring expenditures, save notable exceptions like working capital, or providing temporary budgetary stabilization in an economic downturn."

There will be times when the CD fund has revenues and costs that are lower or higher than what has been budgeted and which result in a surplus or a deficit for that particular year. As has been the case recently, reserves have been used to offset CD Fund deficits. As mentioned in Chapter VIII, there are several types of reserves that are appropriate for development services.

- ◆ Deferred workload liability – To determine this type of reserve requires the Department to have a method and data for determining the amount of work that remains on permits current permits at the end of the fiscal year. This type of reserve is funded by the remaining permit fees that technically have not yet been earned. Currently, it does not appear that the City has a permitting system that can track such progress to determine how much of a fee has been earned.
- ◆ Core Staffing – This reserve is to help offset potential deficits during economic downturns so the Department does not lose key expertise and staff due to reductions. Besides core staffing, this type of reserve could also be considered a contingency reserve. The reserve could be funded in years when there is a surplus that would normally increase fund balance.
- ◆ Technology – This reserve is used to fund technology for the permitting services, such as a new or upgraded permitting system and new computers. This reserve is financed by applying a percentage technology surcharge on each permit fee. This is discussed in more detail later in the Revenue Enhancements section.

### Cost Recovery for Fee and Non-Fee Services

Cost of service and cost recovery issues are important aspects of the CD Fund because a large portion of its services are based on fees for current planning and engineering services. As part of this study the full cost of service has been identified for these development services and the current cost recovery rates have also been determined. The Government Finance Officers Association (GFOA) has several best practices related to the importance of identifying the cost of service.

- ◆ “Measuring the Cost of Government Services” – GFOA recommended that governments calculate the full cost of the different services they provide. As part of the full cost, the GFOA includes the indirect or shared administrative costs and suggests that these costs be allocated by “some systematic and rational allocation methodology and that the methodology be disclosed.”
- ◆ “Establishing Government Charges and Fees” – GFOA supports the use of charges and fees as a method of financing government goods and services and as part of the charge and fee setting process the full cost of providing a service should be calculated. As noted above, the full cost includes indirect and overhead costs such as payroll processing, accounting services, computer usage, etc.
- ◆ “Building a Financially Resilient Government through Long Term Financial Planning” – Transparency is one element of long term financial planning, and it implies openness, communication, and accountability. As part of transparency, GFOA has found that full cost accounting is essential to resiliency because full cost accounting makes the cost of doing business transparent. According to GFOA, transparency can lead to trust as everyone can see what the true cost of doing business is for all services, including support services. With transparency and trust, GFOA believes that they lead to better informed discussions about the relevance and contribution of services and to opportunities for enhancing revenues, increasing operational efficiencies, and enhancing the credibility of the financial management system among management, elected officials, and the public.

Based on the cost of service, the City can determine whether it is meeting its cost recovery goal for its various fee related services.

#### Cost Recovery Fee Policy

As previously mentioned, the City’s financial policies regarding cost recovery for user fees is that such fees should strive at a minimum to recover the direct costs, but that the City prefers to recover the direct plus the indirect costs. The City is currently not recovering the full cost of service for its planning fees and is not even recovering the direct costs.

The City staff suggested two scenarios where the planning fee cost recovery goals were set at 75% and 100%, but appeals, pre-application meetings, and Type A tree permits were kept at a 50% cost recovery level. In Chapter II the individual cost of service for each planning fee was identified, and based on the cost of service, the cost recovery percentage, and the FY 2015 number of planning permits for each fee, the additional revenue was estimated. Although an overall target might be established, it should be noted that the revenue increase depends on the type and number of permits processed in a year and the current cost recovery level for those permits. In addition, the City does not have readily available data on the detailed number of permits and revenues for each type of permit and consequently, the revenues represent rough estimates. According to the City’s financial reports the FY 2015 planning revenue equaled about \$336,523, which represented a 45% cost recovery level. Exhibit 43 shows the estimated increase in revenues at the different cost recovery levels.

**Exhibit 43  
Comparison of Revenues for Different Planning Fee Cost Recovery Levels**

<b>Current Revenue</b>	<b>75% Cost Recovery</b>	<b>75% Revenue Increase</b>	<b>100% Cost Recovery</b>	<b>100% Revenue Increase</b>
\$336,523	\$452,588	\$116,065	\$597,694	\$261,171

One of the reasons the revenue increases are not as high is because the cost of service for the Architectural Review (Villebois) Single Family permit is only 73% of the current fee. Consequently, the different scenarios reduce the revenue from this particular permit, which had the second highest number of permits in FY 2015. At the same time the Review of Building Permit Application for All Other Residential had the most permits in FY 2015 and provided twice as much revenue at 100% cost recovery because the current fee is only about 50% of the cost of service.

At a 75% cost recovery level, the planning revenue still does not recover the direct and indirect cost for FY 2015, but it increases the cost recovery from 45% to 60%. At the 100% cost recovery level, the additional revenue increases the cost recovery level to 80% and would cover both the direct and indirect costs.

### General Fund And Other City Fund Support

Besides the fee revenue from planning and engineering permits, the General Fund and other City funds also provide a major portion of funding for the Department's services. As previously mentioned, the costs and their respective revenue sources are out of balance for a variety of reasons and are related to timekeeping practices and other issues. Exhibit 44 compares the fully loaded costs with the estimated revenues sources that are related to the various services.

**Exhibit 44  
Comparison of FY 2015 Costs and Identified Revenue Sources**

Service Area	Estimated Cost	Actual Revenues	Difference	Revenue Source
Planning Permits	\$782,463	\$336,523	(\$445,940)	Planning fees
Engineering Permits	\$367,839	\$740,088	\$372,249	Engineering fees
Capital Projects	\$1,102,136	\$1,036,227	(\$65,909)	General Fund, Interfund, and Other Charges
Econ Dev/Urban Renewal	\$148,341	\$617,913	\$469,572	Urban Renewal
Stormwater	\$270,773	\$133,418	(\$137,355)	Stormwater Fund
Long Range Planning	\$386,060	\$319,195	(\$66,865)	General Fund, Villebois, CD reserves
Code Enforcement	\$26,035	\$26,035	\$0	CD reserves
Other Non-Development Svcs*	\$131,242	131,242	\$0	CD reserves
Franchise Utilities	\$8,014	\$8,014	\$0	CD reserves
Emergency Operations	\$2,658	\$2,658	\$0	CD reserves
Total	\$3,225,561	\$3,351,313		

\* Includes City code amendments, Public Works standards, Metro meetings, City property management, auto CAD/GIS integration.

Source: FCS GROUP and CD Fund Expenditure and Budget Reports

Based on the above chart, a number of services were not fully funded by their appropriate funding source and two revenue sources, engineering permits and urban renewal funds appear to have exceeded the cost of their related services. The largest change, however, should have been additional General Fund support for a number of services and activities that do not have a specific revenue source. Besides long range planning, there are a number of other services and activities that should be funded by the General Fund. These services include code enforcement, franchise utilities, emergency operations, and other non-development services as well as the difference between the planning fee costs and revenues. If these were to be funded by the General Fund, the General Fund should have contributed about \$1 million instead of the \$286,000 (\$236,000 in direct subsidy and \$50,000 as part of the capital program). Besides the General Fund, the Stormwater Fund should have also contributed another \$137,355 and additional interfund charges should have been made for capital project costs depending on whether some of the capital project costs were related to Urban Renewal funding. Any deficits, as described in the City Budget, are supported by CD Fund reserves.

### Revenue Enhancements

Besides improving timekeeping, workload management, and cost recovery from planning fees and other City funds, there are also opportunities to enhance revenues by adding surcharges for specific

costs funding such as technology improvements and long range planning and by developing a separate overhead rate.

### Technology and Planning Surcharges

As described in Chapter VIII on reserves, a technology surcharge can be applied to develop a reserve for making technology replacements and improvements. The City is considering replacing its permit software and upgrading its GIS printing capabilities in the next five years. The cost of the permit software is \$50,000 and assuming that the CD Fund's share of the plotter is \$25,000, the City staff estimates that a total of \$75,000 will be needed, This amount is about \$15,000 per year. If the surcharge is applied to both engineering and planning permits, the technology surcharge would only be about 1.6% based on the FY 2015 planning and engineering permit fee revenues. If the permit system is also for the Building Inspection Fund, the surcharge could also be applied to building permit revenues. If the permit system cost already includes the Building Inspection Fund, the surcharge would be lower. If the City raises its fees based on the scenarios previously discussed, the surcharge would also be lower.

Lane County has a unique long range planning surcharge that is used to offset some of the costs of its long range planning. As mentioned in the fee survey, Lane County charges a 13% surcharge for long range planning. The County has had this surcharge since 1999 and applies the surcharge to all the development fee charges. Based on some research for several neighboring and local jurisdictions, no other jurisdiction has established a similar surcharge. The City estimates that the long range planning staff cost the City about \$150,000 per year and suggests a goal of recovering 50% of the cost from the surcharge. Exhibit 45 shows what the surcharge would be if it is applied only on the planning fees.

**Exhibit 45  
Long Range Planning Surcharges Based on a \$75,000 Contribution**

	<b>Current</b>	<b>75% Cost Recovery</b>	<b>100% Cost Recovery</b>
<b>Planning Revenues</b>	\$336,523	\$452,588	\$597,694
<b>% Surcharge</b>	22.3%	16.6%	12.5%

### Traffic Study Charges

When a project involves a traffic analysis study, the Department currently charges a 10% overhead rate to the project. Because the time spent reviewing and processing these studies was not available, there was no way to determine if the amount of time spent varies depending on the cost of the study. Because these studies are usually part of a capital project, the staff could just charge their time to the project, and because the hourly rate should already include not just their salary and benefit costs, but also non-labor, Department overhead, and Citywide overhead costs, the CD Fund should be fully reimbursed for any time spent on these studies. Of course, the project must include the time and cost of reviewing and processing these studies in its budget.

Another method to be reimbursed for the full cost is to monitor the time and cost spent on various studies and develop a “project management fee” that is a percentage of the study cost. The percentage might be different based on the study costs. For example, on smaller projects the percentage might be 10%, but on larger projects it might be only 5%. The declining percentage scale should be developed based on the time and cost data collected over a period of time on different sized studies.

If the City determines that it should only charge an overhead rate based on the cost of a study to be reimbursed for some of the CD Fund’s overhead costs, a rate could be calculated to collect the Department and Citywide overhead. For FY 2015 the Department overhead costs were calculated at \$390,450 which includes the Department Director, two Administrative Assistants, and non-labor costs of \$121,520. Citywide overhead costs were \$342,546. The total overhead costs equal

\$732,996. If the City calculated a rate based on all CD fund expenditures excluding the overhead costs, the rate might be about 29%,  $\$732,996/(\$3,225,561-\$732,996)$ . This rate, however, does not recover the time and cost of the Engineering staff performing the work.

## STRATEGY AND IMPLEMENTATION RECOMMENDATIONS

In the previous section a number of strategies have been identified to help the CD Fund improve its sustainability. Most of the above strategies are recommended, but there are some strategies that implementation might be more long term. The recommendations are the following:

- ◆ Make changes to the hourly rate model and methodology as identified to implement new rates for the coming fiscal year.
- ◆ Identify the specific time categories needed to provide more accurate time keeping and hourly charges.
  - Clearly separate planning permit and engineering permit categories from each other and from capital projects;
  - Identify and categorize General Fund services as a group or as individual services such as long range planning, code enforcement, and franchise utility permitting;
  - Continue to separately identify urban renewal and stormwater operational activities; and
  - Establish written guidelines on use of the time categories and other time categories.
- ◆ Improve the workload and revenue forecasting processes and methodologies.
  - Work with the Building Division and key development stakeholders to determine permit workload and revenue forecasts;
  - Review the capital projects to determine appropriate and realistic phasing and staffing requirements either as budgeted or as modified;
  - Establish a staffing model for each division showing the estimated hours or FTE's devoted to the various services based on the permit, capital project, and other division work plan items for all divisions; and
  - Use the standard hours identified for this study to determine the staff hours needed to process the estimated number of planning permits.
- ◆ Determine the level of cost recovery desired for planning and engineering permits recognizing that anything less than 100% cost recovery might require General Fund support.
- ◆ Based on the staffing and workload forecast, match the costs with the appropriate funding sources.
  - Clearly identify General Fund, Urban Renewal, and Stormwater activities and any fee or cost subsidies.
- ◆ Implement a technology surcharge and as part of the CD Fund fund balance establish a technology reserve to pay for technology improvements that support the permitting processes and services.
- ◆ Consider implementing a long range planning surcharge to support a portion of the long range planning costs, but apply the surcharge on planning fees.
- ◆ Consider as a long term goal to develop a core staffing or contingency reserve to offset potential staffing reductions during economic downturns or deficit years.

- ◆ Determine the amount of deferred workload and revenue if the permit system is capable of tracking such revenues and permit activity. This is especially important when permit fees exceed costs.
- ◆ Budget and charge the time and costs for managing traffic studies as part of capital projects.
  - As an alternative, begin tracking time specifically for traffic studies and other similar studies and determine the feasibility of a percentage project management fee that can be applied on a sliding scale depending on the cost of the study.

# APPENDIX A: STAFF HOURS

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### Planning Staff Hours

Planning LABOR HOURS		Total	Miranda Bateschell - Long Range Planning Manager	Blaise Edmonds - Current Planning Manager	Christopher Neamtzu - Planning Director	Daniel Pauly - Associate Planner	Jennifer Scola - Assistant Planner	Unda Straessle - Administrative Assistant III	Michael Wheeler - Associate Planner	Shelley White - Administrative Assistant II	Katherine Mangie - Long Range Planning Manager	Angelica Rockquemore - Intern
Labor Breakdown	Annual Regular Labor	15,736	1,515	2,057	2,274	2,098	2,052	2,108	2,102	1,258	193	80
	Annual Overtime	0										
	Annual Labor	15,736	1,515	2,057	2,274	2,098	2,052	2,108	2,102	1,258	193	80
	Annual Leave	2,246	207	437	306	284	127	386	288	168	44	
<b>Total Available Work Hours</b>		<b>13,489</b>	<b>1,308</b>	<b>1,620</b>	<b>1,968</b>	<b>1,815</b>	<b>1,926</b>	<b>1,722</b>	<b>1,814</b>	<b>1,090</b>	<b>149</b>	<b>80</b>
Indirect Activities	Administration	4,735	715	527	633	631	639	983	44	504	59	
	<b>Net Annual Labor Related to Direct Services</b>	<b>8,754</b>	<b>593</b>	<b>1,092</b>	<b>1,335</b>	<b>1,184</b>	<b>1,287</b>	<b>738</b>	<b>1,769</b>	<b>586</b>	<b>90</b>	<b>80</b>
Direct Fee Time Categories	Current Planning Permits	5,517		1,012	17	977	1,137	69	1,735	572		
	Engineering Permits	0										
	Building Permits	0										
	Last Planning	0										
Direct Non-Fee Time Categories for Planning	Capital Projects	463	30	21	256	41		73	30	13		
	Code Enforcement	232		22	66	29	115.5	0				
	Economic Development	7			4			4				
	EOC	11		4				7				
	Franchise Permits	0										
	Long Range Planning	2,129	554	4	851	107	29	423		2	80	80
	Non-Developmental Services	394	9	30	143	29	6	162	5		11	
	Stormwater	1				1						
Last Planning	0											
<b>Total Direct Hours</b>		<b>8,754</b>	<b>593</b>	<b>1,092</b>	<b>1,335</b>	<b>1,184</b>	<b>1,287</b>	<b>738</b>	<b>1,769</b>	<b>586</b>	<b>90</b>	<b>80</b>
Total Indirect Hours		4,735	715	527	633	631	639	983	44	504	59	-
Total Direct Hours - Fee Services		5,517	-	1,012	17	977	1,137	69	1,735	572	-	-
Total Direct Hours - Direct Non-Fee Time Categories		3,237	593	81	1,319	207	150	669	35	15	90	80
<b>Grand Total</b>		<b>13,489</b>	<b>1,308</b>	<b>1,620</b>	<b>1,968</b>	<b>1,815</b>	<b>1,926</b>	<b>1,722</b>	<b>1,814</b>	<b>1,090</b>	<b>149</b>	<b>80</b>

### Engineering Staff Hours

Engineering LABOR HOURS		Total	Steve Adams - Engineering Manager	Javier Amaya - Senior Engineering Technician	Engineering Intern	Michael Carr - Senior Engineering Technician	Candace Garrett - Administrative Assistant III	Eric Mende - Engineering Manager	Susan Rothenberger - Engineering Technician	Dee Staten - Temporary Engineering Associate	Michael Ward - Civil Engineer	Zachary Weigel - Civil Engineer
Annual Regular Labor		19,165	2,182	2,092	107	2,123	2,076	2,150	2,040	2,087	2,204	2,105
Annual Overtime		0										
Annual Labor		19,165	2,182	2,092	107	2,123	2,076	2,150	2,040	2,087	2,204	2,105
Annual Leave		2,497	326	318		233	255	195	341	343	265	223
<b>Total Available Work Hours</b>		<b>16,668</b>	<b>1,856</b>	<b>1,775</b>	<b>107</b>	<b>1,890</b>	<b>1,822</b>	<b>1,955</b>	<b>1,699</b>	<b>1,744</b>	<b>1,939</b>	<b>1,882</b>
Indirect												
Administration		4,328	528	121		121	1,225	816	713	89	406	310
<b>Net Annual Labor Related to Direct Services</b>		<b>12,340</b>	<b>1,329</b>	<b>1,654</b>	<b>107</b>	<b>1,769</b>	<b>597</b>	<b>1,140</b>	<b>987</b>	<b>1,655</b>	<b>1,533</b>	<b>1,572</b>
Direct Fee												
Current Planning Permits		696	395	4			17		241	22		18
Engineering Permits		3,377	14	979		1,389	211	3		637	125	21
Building Permits		0										
Last Engineering		0										
Direct Non-Fee Time Category												
Capital Projects		7,439	673	573	107	374	320	1,100	622	976	1,312	1,384
Code Enforcement		0										
Economic Development		0										
EOC		9	2					4			4	
Franchise Permits		72	3	60						9		
Long Range Planning		354	187	39		6	16	32	20			55
Non-Developmental Services		393	56				34	1	104	8	78	114
Stormwater		0										
Last Engineering		0										
<b>Total Direct Hours</b>		<b>4,074</b>	<b>1,329</b>	<b>1,654</b>	<b>107</b>	<b>1,769</b>	<b>597</b>	<b>1,140</b>	<b>987</b>	<b>1,655</b>	<b>1,533</b>	<b>1,572</b>
Total Indirect Hours		4,328	528	121	-	121	1,225	816	713	89	406	310
Total Direct Hours - Fee Services		4,074	409	982	-	1,389	228	3	241	659	143	21
Total Direct Hours - Direct Non-Fee Time Categories		8,267	920	672	107	380	369	1,137	746	996	1,390	1,552
<b>Grand Total</b>		<b>16,668</b>	<b>1,856</b>	<b>1,775</b>	<b>107</b>	<b>1,890</b>	<b>1,822</b>	<b>1,955</b>	<b>1,699</b>	<b>1,744</b>	<b>1,939</b>	<b>1,882</b>

**Economic Development/Urban Renewal Staff Hours**

<b>Economic Development LABOR HOURS</b>		<b>Total</b>	Kristin Retherford - Economic Development Manager	Brenda Howe - Real Property Specialist
	Annual Regular Labor	4,249	2,169	2,080
	Annual Overtime	0		
	Annual Labor	4,249	2,169	2,080
	Annual Leave	660	283	377
<b>Total Available Work Hours</b>		<b>3,589</b>	<b>1,886</b>	<b>1,703</b>
<b>Indire</b>	Adminstration	991	394	598
<b>Net Annual Labor Related to Direct Services</b>		<b>2,598</b>	<b>1,493</b>	<b>1,105</b>
<b>Direct Fee T</b>	Current Planning Permits	290	15	275
	Engineering Permits	0		
	Building Permits	0		
	LastEconomic Development	0		
<b>Direct Non-Fee Time Catego</b>	Capital Projects	736	231	505
	Code Enforcement	0		
	Economic Development	1,161	1,024	138
	EOC	0		
	Franchise Permits	0		
	Long Range Planning	226	176	50
	Non-Developmental Services	182	48	134
	Stormwater	3		3
	LastEconomic Development	0		
<b>Total Direct Hours</b>		<b>290</b>	<b>1,493</b>	<b>1,105</b>
Total Indirect Hours		991.25	393.5	597.75
Total Direct Hours - Fee Services		290	15	275
Total Direct Hours - Direct Non-Fee Time Categories		2,308	1477.5	830
<b>Grand Total</b>		<b>3588.75</b>	<b>1886</b>	<b>1702.75</b>

**Natural Resources Staff Hours**

<b>Natural Resources/SWM MGMT LABOR HOURS</b>		<b>Total</b>	Kerry Rappold - Natural Resources Manager	Luke Bushman - Stormwater Management Coordinator
	Annual Regular Labor	4,144	2,080	2,064
	Annual Overtime	0		
	Annual Labor	4,144	2,080	2,064
	Annual Leave	623	320	303
<b>Total Available Work Hours</b>		<b>3,521</b>	<b>1,760</b>	<b>1,761</b>
<b>Indirect</b>	Administration	454	454	
<b>Net Annual Labor Related to Direct Services</b>		<b>3,067</b>	<b>1,306</b>	<b>1,761</b>
<b>Direct Fee T</b>	Current Planning Permits	52	52	
	Engineering Permits	35	35	
	Building Permits	0		
	Last Natural Resources/SWM MGMT	0		
<b>Direct Non-Fee Time Catego</b>	Capital Projects	467	467	
	Code Enforcement	0		
	Economic Development	0		
	EOC	0		
	Franchise Permits	0		
	Long Range Planning	56	56	
	Non-Developmental Services	89	89	
	Stormwater	2,369	608	1,761
	Last Natural Resources/SWM MGMT	0		
<b>Total Direct Hours</b>		<b>87</b>	<b>1,306</b>	<b>1,761</b>
Total Indirect Hours		453.75	453.75	0
Total Direct Hours - Fee Services		87	86.5	0
Total Direct Hours - Direct Non-Fee Time Categories		2,981	1219.75	1760.75
<b>Grand Total</b>		<b>3520.75</b>	<b>1760</b>	<b>1760.75</b>

## APPENDIX B: FEE SURVEY COMPARISONS

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### Planning Fee Survey

**Legend:** CV = Construction value  
(K)sf = (1,000) square feet  
PUD = Planned unit development  
Blank cells denote no fee available

Fee Category	Wilsonville (existing)	Wilsonville (cost of service)	Hillsboro	Sherwood	Happy Valley	Tigard	West Linn
Administrative Review*	Administrative Review Class I: \$160 Class II: \$560	Administrative Review Class I: \$337 Class II: \$1,455		Site Plan Review Type III and IV (add'1 \$100 for every 10ksf over the first 15ksf): \$6,222	Design Review – Application Type I: \$505 Minor Design Review: \$1,515 Major Design Review <500k CV: \$1,554 + Design Review Board professional (DRBP) 500k to 3M CV: \$2,591 + DRBP >3M: \$8,809 + DRBP	Information Processing and Archiving Fees Temporary sign: \$5 Type I Review: \$18 Type II Review: \$175 Type III Review: \$200 Type IV Review: \$200	Design Review Class I: \$2,100 Class II (based on CV) <100k CV: 4% of CV 100k to 500k CV: 4% of CV >500k: 4% of CV + \$4,000
Site Design Review	Site design review: \$1,280	Site design review: \$5,152				Site development review – under \$1M: \$5,564 >\$1M: \$7,228 (+\$6 per each \$10k over \$1M)	

Fee Category	Wilsonville (existing)	Wilsonville (cost of service)	Hillsboro	Sherwood	Happy Valley	Tigard	West Linn
Conditional Use	Accessory use to SFD: \$560 All others: \$1,920	Accessory use to SFD: \$1,707 All others: \$2,532	Conditional use: \$2,625	Without concurrent type III or IV application: \$4,145 With concurrent type III or IV application: \$2,072	Conditional Use (Normally Paired with Design Review) Pre-application conference – mid level <5 acres: \$500 Pre-application conference – mid level <5 acres: \$1,000 Application: \$3,140 Traffic impact study review: actual cost based on hourly rate	Initial: \$6,558 Major modification: \$6,558 Minor modification: \$718	Deposit: \$4,500 Inspection fee: \$200
Partitions	Final plat review fee – partition: \$160 Tentative plat review fee – partition administrative review: \$560 Tentative plat review fee – partition Design Review Board review: \$1,280	Final plat review fee – partition: \$2,312 Tentative plat review fee – partition administrative review: \$1,008 Tentative plat review fee – partition Design Review Board review: \$2,121	Land Partition (2-3 lots) Preliminary partition plat: \$1,575 Final partition plat: \$790 Preliminary partition plat modification: \$735	Minor land partition: \$2,488 Expedited minor partition: \$550	Pre-application conference: \$250 Application: \$2,803 Final plat review: \$1,000	Residential and non-res (3 lots): \$4,745 Residential and non-res (2 lots): \$3,946 Expedited: \$5,537 Final plat: \$1,102	Land Division Partition: \$2,800 deposit

<b>Fee Category</b>	<b>Wilsonville (existing)</b>	<b>Wilsonville (cost of service)</b>	<b>Hillsboro</b>	<b>Sherwood</b>	<b>Happy Valley</b>	<b>Tigard</b>	<b>West Linn</b>
Quasi-judicial Zone Map Amendment *	Comprehensive plan amendment - quasi-judicial map: \$2,400	Comprehensive plan amendment - quasi-judicial map: \$3,115	Zone change: \$2,625	Zone amendment – Map amendment: \$5,330	Comprehensive plan map/zoning map amendments: \$3,589	Zoning map/text amendment – quasi-judicial: \$4,143	Zone change – plan map amendment: \$3,000

Fee Category	Wilsonville (existing)	Wilsonville (cost of service)	Hillsboro	Sherwood	Happy Valley	Tigard	West Linn
Planned Unit Development (PUD)	<p>Stage I Residential/Commercial/Industrial/Public/Villebois SAP modification: \$1,280</p> <p>Stage I Villebois SAP: \$1,920</p> <p>Stage II Residential/Commercial/Industrial/Public/Villebois PDP base/PDP modification (minor)/Mixed Use Bldgs Base: \$1,920</p> <p>Stage II PDP Modification (Major): \$2,700</p> <p><i>Add'l fees apply to stage II per unit and by area for existing and proposed charges.</i></p>	<p>Stage I Residential/Commercial/Public: \$2,049</p> <p>Stage I Industrial: \$2,121</p> <p>Stage I Villebois SAP: \$2,270</p> <p>Stage I Villebois SAP Modification: \$2,906</p> <p>Stage II Residential/Commercial Base: \$9,696</p> <p>Stage II Industrial Base: \$9,768</p> <p>Stage II Public Base: \$9,840</p> <p>Stage II Villebois PDP Base: \$9,923</p> <p>Stage II PDP Modification (Minor): \$4,693</p> <p>Stage II PDP Modification (Major): \$442</p> <p>Stage II Mixed Use Bldgs Base: \$9,923</p>	<p>PUD concept development plan: \$5,250</p> <p>PUD final development plan: \$2,100</p> <p>PUD minor modification: \$735</p> <p>PUD major modification: \$1,575</p> <p>Architectural plan review (in PUDs &gt;8 lots): \$20/lot (\$450 max)</p>	<p>PUD preliminary: \$2,205</p> <p>PUD – final: site plan review fee (plus appropriate application fees)</p>	<p>Pre-Application Conference</p> <p>4-9 lots: \$250</p> <p>10-99 lots: \$500</p> <p>100+ lots: \$1,000</p> <p>Application</p> <p>4-9 lots: \$2,803 + \$300 per lot</p> <p>10-29 lots: \$2,803 + \$200 per lot</p> <p>30-59 lots: \$2,803 + \$125 per lot</p> <p>60+ lots: \$2,803 + \$100 per lot</p> <p>Traffic study review: Actual cost</p> <p>Final Plat</p> <p>4-9 lots: \$1,000 + \$100 per lot/tract</p> <p>Re-naming of approved PUD (post land-use approval): \$1,000</p>	<p>Planned Development Conceptual plan review: \$9,286</p> <p>Detailed plan review (concurrent hearing): applicable SDR fee or subdivision fee + \$450</p> <p>Detailed plan review (separate hearing): applicable SDR fee or subdivision fee + \$2,646</p>	<p>PUD: \$4,200 plus \$400 AC deposit</p>

Fee Category	Wilsonville (existing)	Wilsonville (cost of service)	Hillsboro	Sherwood	Happy Valley	Tigard	West Linn
Sign Review*	Class I: \$160 Minor Adjustment of Class I: \$80 Class II: \$400 Class III: \$560 Master Sign: \$960	Class I: \$161 Minor Adjustment of Class I: \$29 Class II: \$1,078 Class III: \$1,605 Master Sign: \$1,343	Sign permits: \$60 per sign face	Permanent signs on private property: \$150 Add'l charge per sf above 32 sf: \$1 Banner signs: \$150	Permanent Signs: \$150 Temporary Signs: \$50	Existing and modifications to existing sign (no size differential): \$197 Temporary sign (per sign): \$62	Face change: \$50 Temporary: \$50 Permanent: \$250
Tree Removal Permit*	Type A: \$16 Type B/C 3 or fewer: \$80 Type B/C 4 to 10: \$80 (\$8 per tree) Type B/C 11 to 25: \$120 (\$8 per tree) Type B/C 26+: \$160 (\$8 per tree) Type D: \$800	Type A: \$44 Type B 3 or fewer: \$400 Type B 4 to 10: \$557 (\$19 per tree) Type B 11 to 25: \$1,156 (\$19 per tree) Type B 26+: \$1,244 (\$19 per tree) Type C 3 or fewer: \$352 Type C 4 to 10: \$806 Type C 11 to 25: \$916 Type C 26+: \$960 Type D: \$750		Street tree removal permit: \$25 Street tree removal permit, each add'l tree: \$10 Removal of more than 6 trees or 10% on private property: \$107	Type A (1-3 trees): \$50 Type B (4+ trees): \$75 application fee + \$50 per tree (maximum \$5,000)	Urban forestry fees. No fee when trees are removed for simple situations. No explicit fees for tree removal.	Tree review fee: \$75 If associated with residential permit - \$75 flat fee

Fee Category	Wilsonville (existing)	Wilsonville (cost of service)	Hillsboro	Sherwood	Happy Valley	Tigard	West Linn
Variance	Administrative: \$560 DRB review: \$1,920	Administrative: \$1,008 DRB review: \$6,041	Project value <10k: \$525 >10k: \$1,785	Adjustment: \$50 Class A: \$4,145 Class B: \$1,102	Class A: \$303 Class B: \$1,414 Class C: \$2,828	Administrative : \$769 (various adjustments charged either \$769 or \$351)	Class I: \$825 Class II: \$2,900
Pre-Application Conference	Residential <50 lots: \$160 Residential >50 lots: \$320 Other signs: \$160 Other single bldg. <100ksf: \$400 All others: \$640	Residential <50 lots: \$1,599 Residential >50 lots: \$1,599 Other signs: \$290 Other single bldg. <100ksf: \$1,322 All others: \$1,672	Pre-application conference: \$0	Pre-application conference: \$400	Pre-application conference – mid level (<5 acres): \$500 Major level (>5 acres): \$1,000	Pre-application conference: \$718	Pre-Application Conference – Level I: \$350 Level II: \$1,000

\*Denotes permits with greater than five instances in the previous fiscal year.

### Engineering Fee Survey

Fee Type	Wilsonville (existing)	Wilsonville (Cost of Service)	Hillsboro	Sherwood	Happy Valley	Tigard	West Linn
Right of way permits	Under \$2,500: \$150 Over \$2,500: 7% of valuation	\$2,449	Right-of-Way/Easement Storm: \$105 per tap Sewer: \$105 per tap Water: \$250 per tap Lateral Disconnect: \$105 per tap Driveway: \$10 per taxlot	Administration fee: \$150 (per permit) Inspection fee: \$150 or 4% of project estimate, whichever is greater Performance bond on projects greater than or equal to \$5,000: 125% of estimated costs Maintenance bond: \$1,000 or 50% of project estimate, whichever is greater	\$150 The greater of \$150 or 5% of construction value		Public Works Construction Permit Flat permit fee: \$50 Construction services deposit: \$500 Required deposit if street is cut: \$500 + \$50 per lineal foot of street cut
Public Works Permit – Permit Fee	5% of valuation of project	TBD		Inspections: 5% of construction costs		Public Facility Improvement Permit Plan Review: 5% of CV	Public Improvement Permit Flat permit fee: \$50 Construction services deposit: 6% of CV

Fee Type	Wilsonville (existing)	Wilsonville (Cost of Service)	Hillsboro	Sherwood	Happy Valley	Tigard	West Linn
Public Works Permit – Plan Review	2% of valuation of project	TBD	<p>Storm/Sewer 4% of engineer’s cost estimate Inspection: \$560 for first half acre, \$560 prorated for each add’l acre Street/Water (% Based on Engineer’s Cost Estimate) &lt;\$10k: \$750 \$10k-\$50k: 5% not less than \$750 \$50k-\$250k: 4% not less than \$2,550 \$250k: 3.5% not less than \$10,000 Surface Water Mgmt Water quality: \$225 per ESU Water quantity: \$275 per ESU</p>	<p>Plan review: 4% of construction costs No Public Improvement; Subdivision Plan Reviews and Inspections Plan review fee: Time and materials Inspection fee: Time and materials Television line service: Time and materials</p>	<p>Plan Review – Public Improvement Plans &lt;\$10k CV = 8% of CV \$10k-\$50k CV = \$800 + 7% of CV \$50k to \$100k CV = \$3,600 + 6% of CV &gt;\$100k CV = \$6,600 + 5% of CV Plan Reviews – Grading and Civil Site Plan Review for All Non-Single Family (Detached and Attached), Duplex and Triplex Development. &lt;\$10k = 10% of CV \$10k-\$50k = \$2,500 + 5% of CV \$50k to \$100k = \$5,500 + 5% of CV \$100k to \$500k = \$7,500 + 5% of CV &gt;500k = \$28,500 + 2.5% of CV</p>	<p>Public Facility Improvement Permit Plan Review: 2% of CV</p>	

**Technology and Long Planning Surcharges**

<b>Jurisdiction</b>	<b>Surcharges</b>
Hillsboro	N/A
Sherwood	N/A
Happy Valley	N/A
Tigard	N/A
West Linn	N/A
Lane County	Long-Range Planning Surcharge: 13%
Clackamas County	GIS Fee: \$5
Tualatin	N/A
Oregon City	N/A
Canby	N/A
Newberg	N/A

# CITY COUNCIL ROLLING SCHEDULE

## Board and Commission Meetings 2016

Items known as of 08/29/16

### SEPTEMBER

DATE	DAY	TIME	EVENT	LOCATION
9/8	Thursday	7 pm	City Council Meeting	Council Chambers
9/12	Monday	6:30 pm	DRB Panel A	Council Chambers
9/14	Wednesday	5 pm	Committee for Citizen Involvement Frog Pond Open House	Willamette River Rooms I and II
9/14	Wednesday	7 p.m.	Planning Commission	Council Chambers
9/19	Monday	7 pm	City Council Meeting	Council Chambers
9/26	Monday	6:30 pm	DRB Panel B	Council Chambers
9/28	Wednesday	6:30 pm	Library Board	Library

### COMMUNITY EVENTS

September 6<sup>th</sup>, First Day Of School

Water Features Close September 11<sup>TH</sup>.

Farmers Market at Sophia Park in Villebois  
Every Thursday until September 29<sup>th</sup> beginning at 4 p.m.





## CITY COUNCIL MEETING STAFF REPORT

<b>Meeting Date:</b> September 8, 2016	<b>Subject: Resolution No. 2601</b> Willamette Falls Locks “Section 106” Memorandum of Agreement (MOA) <b>Staff Member:</b> Mark Ottenad, Public/Government Affairs Director <b>Department:</b> Administration
<b>Action Required</b> <input type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 <sup>st</sup> Reading Date: <input type="checkbox"/> Ordinance 2 <sup>nd</sup> Reading Date: <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input checked="" type="checkbox"/> Consent Agenda	<b>Advisory Board/Commission Recommendation</b> <input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable <b>Comments:</b> City Council reviewed MOA at August 15 work session and indicated support to advance to September 8 meeting Consent Agenda.
<b>Staff Recommendations:</b> Adopt Resolution No. 2601 to approve the MOA under Consent Agenda.	
<b>Recommended Language for Motion:</b> I move to adopt the Consent Agenda.	
<b>PROJECT / ISSUE RELATES TO:</b>	
<input checked="" type="checkbox"/> Council Goals/Priorities <input type="checkbox"/> Adopted Master Plan(s) <input type="checkbox"/> Not Applicable	

### ISSUE BEFORE COUNCIL

At the August 15, 2016, City Council work session, Council indicated support for adopting the Willamette Falls Locks “Section 106” Memorandum of Agreement (MOA) as a concurring party via resolution to be presented on the September 8 City Council meeting Consent Agenda.

### EXECUTIVE SUMMARY

The City—along with other local governments, businesses and nonprofits—has been participating for the past four years as a “concurring party” in the ongoing process of Section 106 of the National Historic Preservation Act (NHPA) pertaining to the closure of the Willamette Falls Locks. The City is now invited to sign as a concurring party to the Memorandum of Agreement (MOA) between the U.S. Army Corps of Engineers and state and federal historic advisory bodies pertaining to the 2011 closure of the Locks.

Signing as a concurring party is primarily a way to express agreement with the contents of the MOA and acceptance of the outcome of the process. Concurring parties do not have the rights of signatories; their approval is not needed to execute, amend, or terminate the MOA. In essence, being a concurring party provides the City with opportunities to be notified and included in future meetings and the decision-making processes pertaining to disposition of the Locks. Signing the MOA does *not* obligate the City to any set funding amount or specific course of action.

Based on City Council priorities, the City has participated in local, state and federal activities designed to advance efforts to repair and re-open the Willamette Falls Locks to river traffic. Repairing and reopening the Willamette Falls Locks is a component of the City's State and Federal Legislative Agendas.

The proposed MOA is required by federal regulations to accomplish the goal of mitigating adverse effects created with closure of the Locks. As required by the Section 106 under the NHPA, the Corps has developed an MOA in conjunction with the State Historic Preservation Office (SHPO) and the President's Advisory Council on Historic Preservation (ACHP). Under normal circumstances, this consultation and development of an MOA would have occurred prior to the emergency closure of the Locks in 2011.

Staff members of the U.S. Army Corps of Engineers, Portland District Office, have indicated a preference and willingness to assist in studying and funding repairs to the closed Willamette Falls Locks in order to facilitate transfer of ownership and operation to a new entity. A number of stakeholders known as the One Willamette River Coalition coordinated by the Willamette Falls Heritage Foundation and the National Trust for Historic Preservation, and now the Locks Working Group and Locks State Task Force are advancing efforts to actuate the proposed transfer of ownership and to restore and reopen the Locks.

The MOA in essence provides a "road map" forward for all parties regarding the Corps' obligations in the process of documenting conditions of the Locks and advancing efforts to repair and re-open the Locks. The City Attorney's legal review found:

"The MOA is odd in that it states, effectively, as a concurring party, the City agrees with the contents but is not an actual signatory with any rights thereunder, and the City agrees to all of the processes set forth in the agreement.

"Bottom line is that this MOA an odd legal document, but appears fine to sign as long as the City does intend to make some reasonable contribution at some point to the project, understanding that the City would have to find it reasonable and the document contains no set obligation."

The City understands that a majority of the concurring parties intend to sign the MOA; tribal governments are likely to seek a different avenue to participate:

- |                             |   |  |
|-----------------------------|---|--|
| Local Governments           | · Wilsonville Concrete / Marine Industrial Construction LLC | · Willamette Falls Heritage Foundation     |
| · Clackamas County          | · West Linn Paper   | · Willamette Falls Heritage Area Coalition |
| · Metro                     | Nonprofits  | · Restore Oregon                           |
| · Oregon City               | · National Trust For Historic Preservation                  | · [PS1]Clackamas County Historical Society |
| · West Linn                 | · One Willamette River Coalition                            | · Willamette River Keepers                 |
| · Wilsonville               |   |  |
| Businesses                  |   |  |
| · Portland General Electric |   |  |

## **BACKGROUND INFORMATION**

The Corps of Engineers recognizes that the 140-year-old Willamette Falls Locks is a historical asset that can provide a number of benefits for various river users. However, due to the severe reduction over time of “tonnage” being transported through the Locks coupled with the costs of operations and maintenance and declining federal support, the Corps was having difficulty in continuing to operate or maintain the Locks.

In December 2011 the Corps closed the Locks indefinitely to river traffic and placed them in “non-operational” status due to finding a “life safety emergency” with key components used to operate the Locks. Normally, however, the Corps would have first conducted a Section 106 analysis under the National Historic Preservation Act (NHPA) and a “NEPA” review under the National Environmental Policy Act to study and disclose to the public and decision-makers the adverse effects of the proposed action to close the Locks. Both of these processes develop potential binding mitigation measures that can be either broad and all-embracing or narrow with incremental steps.

Over the past three years, the Corps has conducted the required NHPA Section 106 process to examine the impacts of the current decision to close the Locks.

The Portland Corps leadership has indicated a preference for reopening the Locks; however, to do so, the Corps anticipates transferring ownership and/or operations to another entity that is yet to be identified. The Corps states that “deauthorizing” the Locks as a federal project and transferring the facility to a new owner/operator would take two-plus years.

The Corps has received funds from the Office of Management and Budget to conduct a “disposition study” that would provide a complete, detailed assessment of the Lock’s condition and Analyze disposition options, including transfer or removing.

A coalition of businesses, local governments and nonprofit organizations known as the One Willamette River Coalition believes that the Lock facilities are vital for a wide range of river uses that include commercial, industrial, recreational, tourism and marine patrols. Clackamas County has convened a Willamette Falls Locks Working Group of stakeholders that is negotiating with the Corps and pursuing all options for repairing and reopening the Locks. The state legislature created a State Task Force to look at long-term solutions.

Because Wilsonville could benefit from an operational Locks, especially as it relates to the City Council’s goal for a vital multi-modal transportation network and economic development opportunities, the Foundation requested City support for funds for an economic study on the potential benefits for reopening the Locks. The City Council approved in January 2014 a \$2,500 contribution to the study conducted by ECONorthwest, which was released on September 30, 2014 as the *Willamette Locks Economic Potential Report*.

Subsequently, the City Council adopted Resolution No. 2496, “A Resolution of the City of Wilsonville Supporting the Reopening of the Willamette Falls Locks,” in November 2014. Similar resolutions were adopted by many local governments and organizations, including those that are now listed as concurring parties to the MOA. Additionally, the City Council adopted Resolution No. 2515, A Resolution of the City of Wilsonville Supporting Efforts to Create a Willamette Falls National Heritage Area and Urging Designation of Such By Congress in 2015.

In adopting the City's 2015-16 State Legislative Agenda in January 2015, the City Council prioritized efforts to re-open and maintain the Locks in an operational status. Working in conjunction with the One Willamette River Coalition and Locks Working Group, the City assisted in successfully lobbying the Oregon Legislative Assembly to allocate \$500,000 for study and repair efforts. Concurrently the parties are working with Offices of U.S. Senators Ron Wyden and Jeff Merkley to obtain federal funds to match the state funds.

In addition to the direct and immediate river-based transportation objectives, operational Locks could provide additional benefits. Officials from Wilsonville Concrete, Inc., and Marine Industrial Construction, LLC, have indicated that 15–30 total jobs could be impacted if the Locks are not re-opened on a permanent basis. Wilsonville Concrete and Marine Industrial Construction, which has used the Locks for 127 years, currently conducts extensive work along the Willamette and Columbia Rivers for various businesses and agencies for marine repair and dredging operations, and historically have moved substantial amounts of aggregate to Wilsonville from down river. Each barge carries the volume of aggregate equivalent to 30–35 loaded dump trucks. On an annual basis, regular use of the river to transport aggregate to Wilsonville could reduce truck traffic in the city by more than 5,000 dump-truck trips and more than 360,000 truck miles annually on the Oregon roads systems.

Operational Locks would also allow the City to consider establishing a “port,” which could be eligible for various state and federal funding programs. Eventual development of a port at Wilsonville, the second highest navigable city on the Willamette River, could add to the sustainable logistics hub that Wilsonville is known for historically, while creating additional employment by attracting logistic firms to the area.

The Locks being open would also support the US Coast Guard-required maintenance schedule for the Canby Ferry at roughly 10% of the cost structure needed without the Locks being open. Additionally, state and local law enforcement would have additional capacity available for movement along the river if the Locks are operational.

As the City develops a tourism strategy, recreational access to and use of the Willamette River continues to rise as an issue deserving of further study and consideration. In addition to activities such as float trips on the Willamette River Water Trail, river cruises from Portland to Oregon wine country are a potential tourist attraction that could be developed if the Locks were operational.

## **CURRENT YEAR BUDGET IMPACTS**

No current fiscal year budget impacts are anticipated.

## **FINANCIAL REVIEW / COMMENTS:**

Reviewed by: S Cole      Date: August 1, 2016

No material budget impacts are known at this time.

## **LEGAL REVIEW / COMMENTS**

Reviewed by: B Jacobson      Date: August 1, 2016

See specific legal comments in the Executive Summary of this report.

### **CITY MANAGER COMMENT**

Support for reopening of the Locks appears to be in alignment with City Council goals and City policies.

### **ATTACHMENTS**

- A.** Resolution No. 2601, A Resolution of the City of Wilsonville Adopting as a Concurring Party the Willamette Falls Locks “Section 106” Memorandum of Agreement (MOA) and Exhibits.
- B.** Willamette Falls Locks “Section 106” Memorandum of Agreement (MOA) and Exhibits: *Memorandum of Agreement Between the U.S. Army Corps of Engineers, Portland District and the Oregon State Historic Preservation Officer, and the Advisory Council On Historic Preservation Regarding the Interim Closure of the Willamette Falls Locks, West Linn, Oregon*

**ATTACHMENT A**

**RESOLUTION NO. 2601**

**A RESOLUTION OF THE CITY OF WILSONVILLE ADOPTING AS A CONCURRING PARTY THE WILLAMETTE FALLS LOCKS “SECTION 106” MEMORANDUM OF AGREEMENT (“MOA”) AND EXHIBITS**

WHEREAS, the U.S. Army Corps of Engineers, Portland District (“Corps”), has invited local governments, businesses and nonprofits—including Clackamas County; Metro; the cities of Oregon City, West Linn and Wilsonville; Portland General Electric Company; Wilsonville Concrete LLC; Marine Industrial Construction LLC; WCP, Inc.; Clackamas County Historical Society; National Trust for Historic Preservation; Willamette Falls Heritage Area Coalition; Willamette Falls Heritage Foundation; Restore Oregon—and other stakeholders to participate as concurring parties in a Memorandum of Agreement (“MOA”) between the Corps and the Oregon State Historic Preservation Officer and the Advisory Council on Historic Preservation regarding the Interim Closure of the Willamette Falls Locks (“Locks”), West Linn, Oregon; and,

WHEREAS, the Corps acknowledges that since 2011 when the Corps, under emergency operational authority closed the Locks to vessel traffic (the “undertaking”) due to life-safety concerns related to the potentially unsafe physical conditions, there has been continued impact on certain cultural, economic, and recreational goals of the proposed Willamette Falls National Heritage Area, the 2015-designated State Heritage Area, the 2012-designated National Water Trail, and the 1999-designated American Heritage River; to all of which the Locks is a significant and contributing resource; and,

WHEREAS, the Locks are a historic property that was listed in the National Register of Historic Places in 1974, and therefore, pursuant to 36 C.F.R. § 800.5(1), the regulations implementing Section 106 of the National Historic Preservation Act (16 U.S.C. § 470f), the Corps notified the Oregon State Historic Preservation Officer (SHPO) on May 15, 2014 that the undertaking posed an adverse effect to the features and qualities that made the Locks eligible for listing, (MOA Appendix A) to which the SHPO agreed; and

WHEREAS, the Corps acknowledges that the undertaking has eliminated the potential of commercial navigation through the Locks, resulting in a loss of economic opportunity for some

sectors of the community, and that the concurring parties and others endorse the repair and reopening of the Locks in order to achieve potential cultural, economic, commercial and recreational goals of state and local stakeholders; and,

WHEREAS, the Corps has received initial funding to conduct an investigation for the final disposition/divestiture report, and in accordance with 36 C.F.R. § 800.6(a)(1), the Corps has notified the Advisory Council on Historic Preservation (ACHP) of its adverse effects determination with specified documentation, and the ACHP has chosen to participate in the consultation pursuant to 36 C.F.R. § 800.6(a)(1)(iii); and,

WHEREAS, the parties to the MOA acknowledge additional Section 106 consultations are required prior to a future decision regarding the permanent long term disposition of the facility, and that the Corps is committed to conducting regular informational meetings no less than twice a year with signatories and concurring parties to report on progress made toward accomplishing stipulations under the MOA; and,

WHEREAS, the Corps is committed to conducting a meeting with signatories, concurring parties, and other Federal and non-Federal stakeholders a minimum of every two months, or as required, to discuss possible options for the long term disposition of the Locks, and that such a meeting would be with local interests that have organized under the leadership of the Clackamas County (identified as the Willamette Falls Locks Working Group) to study issues relating to repair, reopening and operation of the Locks; and,

WHEREAS, within twelve (12) months of execution of this MOA, the Corps plans to have investigated and discussed the results of an investigation of the Locks with the Willamette Falls Working Group the need for the Locks to be repaired and operational prior to transfer; and,

WHEREAS, being a concurring party provides the City with opportunities to be notified and included in future meetings and the decision-making processes pertaining to disposition of the Locks; and signing the MOA does not obligate the City contribute to any set funding amount or to undertake a specific course of action; and,

WHEREAS, the City of Wilsonville has a vested interest in the outcome of the Section 106 consultations and resulting disposition study and long-term operational future of the Locks, as evidenced by prior City actions, including adoption of Resolution No. 2496, A Resolution of the City of Wilsonville Supporting the Reopening of the Willamette Falls Locks (2014);

Resolution No. 2515, A Resolution of the City of Wilsonville Supporting Efforts to Create a Willamette Falls National Heritage Area and Urging Designation of Such By Congress (2015); and inclusion of reopening of the Locks as a priority issue for the City in both recent State and Federal Legislative Agendas;

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. The City of Wilsonville adopts the Willamette Falls Locks “Section 106” MOA as a concurring party; and
2. The City of Wilsonville thanks the Corps of Engineers for working with local stakeholders to assess and mitigate the adverse effects of the closure and urges the Corps to expedite the needed repairs and craft a plan for sustainable operations of the Locks.
3. This resolution is effective immediately upon adoption.

ADOPTED by the Wilsonville City Council at a special meeting on September 8, 2016, and filed with the Wilsonville City Recorder this date.

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TIM KNAPP, MAYOR

ATTEST:

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Sandra C. King, City Recorder, MMC

SUMMARY OF VOTES:

Mayor Knapp            \_\_\_\_\_  
 Councilor Starr        \_\_\_\_\_  
 Councilor Fitzgerald \_\_\_\_\_  
 Councilor Stevens    \_\_\_\_\_  
 Councilor Lehan        \_\_\_\_\_

**MEMORANDUM OF AGREEMENT  
BETWEEN  
THE U.S. ARMY CORPS OF ENGINEERS, PORTLAND DISTRICT  
AND THE  
THE OREGON STATE HISTORIC PRESERVATION OFFICER,  
AND THE  
ADVISORY COUNCIL ON HISTORIC PRESERVATION  
REGARDING THE INTERIM CLOSURE OF THE WILLAMETTE FALLS LOCKS,  
WEST LINN, OREGON**

**WHEREAS** on December 1, 2011 the Dam Safety Officer for the Portland District, U.S. Army Corps of Engineers recommended Gates 2, 3, and 4 be red-tagged for use until the gudgeon anchors are replaced; and subsequently on December 5, 2011 the U.S. Army Corps of Engineers, Portland District (Corps), under its emergency operational authority, closed the Willamette Falls Locks (Locks) to vessel traffic (the “undertaking”) due to life safety concerns related to the potentially unsafe physical conditions of the gudgeon anchors on Gates 2, 3, and 4; and,

**WHEREAS** the repairs to address the immediate dam safety and operational safety concerns has been estimated to cost between three to five million dollars; and,

**WHEREAS** the decline of commercial tonnage through the Locks from 1990 to 1997 caused more than a 99% decline in navigational benefits causing in a commensurate decline in funding for Operations, Maintenance, Repair, Replacement, and Rehabilitation activities to support the navigation authority of the Locks which led to Caretaker funding for minimal maintenance activities of the facility starting in 2006; and as the decline in commerce has persisted for more than 15 years, the repairs to the underground gudgeon anchors at Gates 2, 3 and 4 are deemed not economically justified; and,

**WHEREAS** the Locks are a historic property that was listed in the National Register of Historic Places in 1974, and therefore, pursuant to 36 C.F.R. § 800.5(1), the regulations implementing Section 106 of the National Historic Preservation Act (16 U.S.C. § 470f), the Corps notified the Oregon State Historic Preservation Officer (SHPO) on May 15, 2014 that the undertaking posed an adverse effect to the features and qualities that made the Locks eligible for listing, (Appendix A) to which the SHPO agreed; and,

**WHEREAS** the Corps has defined the undertaking's area of potential effects (APE) as the Locks, associated structures, and environs, to include the Lock Operator and Administration buildings, dock, and park easement along the west side of the Locks chambers (map of APE is attached as Appendix B); and,

**WHEREAS** the undertaking resulted in adverse effects to historical associations, specifically, associations with transportation and navigation history, and with tribal access to the Willamette Falls via the Locks to conduct traditional cultural practices; and,

**WHEREAS**, although no immediate or additional adverse effect to the physical engineering qualities of the Locks was realized by the undertaking, further examination of materials and operating components of lock walls and gudgeon anchors on Gates 2, 3, and 4 would be necessary to determine if, and to what degree, further decline may have occurred since closure; and,

**WHEREAS** the Corps acknowledges that, since 2011, there has been continued impact on certain cultural, economic, and recreational goals of the proposed Willamette Falls National Heritage Area, the 2015-designated State Heritage Area, the 2012-designated National Water Trail, and the 1999-designated American Heritage River; to all of which the Locks is a significant and contributing resource; and,

**WHEREAS** the Corps acknowledges that the undertaking has eliminated the potential of commercial navigation through the Locks, resulting in a loss of economic opportunity for some sectors of the community; and,

**WHEREAS** the Corps considers the undertaking to be an essential and immediate response to an emergency condition threatening both life and property; the Corps has, through this consultation, notified SHPO, the Council, and the tribes within the time and resources available (36 C.F.R. § 800.12 (b)(2)) so that comments and suggestions on how to appropriately mitigate for the subject undertaking could be provided. Stipulations provided in this agreement address adverse effects that resulted from the undertaking in 2011, although the last vessel permitted through the Locks occurred in July 2013. No data or information has been identified or presented to demonstrate that the mitigation needs have changed since the date of closure; and,

**WHEREAS** the Locks chambers and environs are no longer publicly accessible on a regular basis due to safety concerns and budgetary constraints, the Corps has provided supervised, infrequently scheduled opportunities for on-site viewing to requesting parties and has supported various events such as the Willamette Falls Heritage Foundation's Lock Fest; and,

**WHEREAS** the Corps invited participation of the Confederated Tribes of Grand Ronde (CTGR), the Confederated Tribes and Bands of the Yakama Nation, the Confederated Tribes of the Warm Springs Reservation of Oregon, and the Confederated Tribes of Siletz Indians who attach religious and cultural significance to lands within the Willamette Falls Locks and around the Willamette Falls; and,

**WHEREAS** the Corps has invited the West Linn Certified Local Government, National Trust for Historic Preservation (NTHP), Willamette Falls Heritage Foundation (WFHF), Clackamas County (CC), Clackamas County Historical Society, Willamette Falls Heritage Area Coalition (WFHAC), Metro, Oregon Marine Board, Oregon City, Portland General Electric Company, Wilsonville Concrete LLC, Marine Industrial Construction LLC, WCP INC, Pacific Northwest Waterways Association (PNWA), Restore Oregon, City of Wilsonville and other identified stakeholders to participate as concurring parties; and,

**WHEREAS** many of the consulting parties endorse the repair and reopening of the Locks in order to achieve potential cultural, economic, commercial and recreational goals of state and local stakeholders; and acknowledge since closure of the Locks, the Corps' annual requests for Congressionally appropriated funding for repairs have not been successful because the costs of rehabilitation outweigh the commercial navigation benefits to the nation and therefore, agree, although not part of the current undertaking or this Section 106 consultation, the most viable long term disposition of the Locks may be through a transfer of ownership to another agency or via alternative management of the facility through cost-sharing of repairs, leasing the facility, or other arrangement; and,

**WHEREAS** the Corps serves as an ex-post participant in the Senate Bill 131 Task Force whose purpose is to: 1) compile information related to the Willamette Falls Locks and Canal; 2) consider means of facilitating the repair and reopening of the facility; 3) develop a plan for its sustainable operation; and 4) deliberate the future disposition of the facility via either the future lease or transfer from the Corps to a specified non-federal entity. It is anticipated much of the future Federal investigation described in Stipulation III below will be helpful to the Task Force when developing the future governance model and funding mechanism for the long term repair and operation of the facility.

**WHEREAS** the Corps has received initial funding to conduct an investigation for the final disposition / divestiture report.

**WHEREAS** in accordance with 36 C.F.R. § 800.6(a)(1), the Corps has notified the Advisory Council on Historic Preservation (ACHP) of its adverse effects determination with specified documentation, and the ACHP has chosen to participate in the consultation pursuant to 36 C.F.R. § 800.6(a)(1)(iii); and,

**WHEREAS** the parties acknowledge additional Section 106 consultations will be required prior to a future decision regarding the permanent long term disposition of the facility;

**NOW, THEREFORE**, the Corps, SHPO, and the ACHP agree that the Corps will implement the following stipulations in order to mitigate adverse effects to the Locks caused by the undertaking:

### **STIPULATIONS**

The Corps shall ensure that the following measures are carried out:

- I. Conduct regular informational meetings no less than twice a year with signatories and concurring parties to report on progress made toward accomplishing Stipulations III-V.
- II. Conduct a meeting with signatories, concurring parties, and other Federal and non-Federal stakeholders a minimum of every two months, or as required, to discuss possible options for the long term disposition of the Locks. Such a meeting would be with local interests that have organized under the leadership of the Clackamas County (identified as the Willamette Falls Locks Working Group) to study issues relating to repair, reopening and operation of the Locks. The goal of the process is to develop a report described in Stipulations IIIA or IIIB. This meeting can be accomplished during one of the meetings described in Stipulation I.
- III. Future investigations, which shall include but not be limited to:
  - A. Beginning in Fiscal Year 2017, will conduct a three year, 100% federally funded engineering investigation of the Locks' essential operating materials and components in order to identify the condition of the facility and/or repairs needed to meet standards established by the Corps that would support either the deauthorization, decommissioning, and divestment of the Locks or a complete change in management of the facility, whereby reopened operations result from contributed funds and provide the future owner and/or operator guidance in mid and long-term capital needs. This investigation may include the following:

1. A forensic investigation of the operating components (gudgeon anchors, masonry, and wood materials of the lock walls) using minimally invasive techniques and technologies to probe non-visible conditions and substrates;

2. An updated technical condition of the facility;

3. An updated economic analysis to identify the least cost alternative to decommission the facility; an environmental condition of the property to assess the presence, abundance and cleanup requirements resulting from hazardous and toxic materials exposed within the locks and ship canal.

4. Pertinent structural repairs to the locks so that the locks are returned to a safe and operable condition

5. May include pertinent assessments identified in Stipulation IIIB.

**B.** Will pursue with the Willamette Falls Locks Working Group a 50/50 cost share study to identify the necessary analysis and administrative steps necessary for alternate ownership or management of the Locks. The study, if pursued, may include the following:

1. An updated technical condition of the facility to assess the rate of deterioration, the risks and potential liabilities associated with the facility, and the need, if any, for dredging and proper disposal of dredge materials;

2. Consideration, including an economic assessment, of transfer of ownership and/or operations of the facility to an identified transferee;

3. An economic evaluation of potential reauthorization of the facility to a different mission;

4. An economic analysis of the status quo closure condition;

5. Evaluation, including economic assessment, of de-authorization, decommissioning and divestment of the facility;

6. A current cost estimate to repair and return the Locks to safe operability;

7. An economic opportunity analysis of reopening and continued operation;

8. A full investigation of all environmental and regulatory requirements, including addressing NEPA and Section 106 requirements of both repair and final disposition options;

9. An assessment of the real estate title and boundary issues, resulting in a detailed scope, schedule, and budget to resolve any potential real estate issues;

10. An environmental condition of the property to assess the presence, abundance and cleanup requirements resulting from hazardous and toxic materials exposed within the locks and ship canal; and,

11. Assessment of any continued Corps regulatory oversight requirements that may transfer to a new third-party operator.

Should a cost shared study be of mutual interest, the Corps shall execute a separate agreement with the appropriate non-federal sponsor.

**IV.** Continue current caretaker activities commensurate with obligations under Section 110 of the National Historic Preservation Act to preserve and protect significant character defining features of the property, defined herein as the inspection and monitoring of the Locks' status through scheduled operation of gates to identify mechanical changes in performance; surface observation and monitoring of condition and potential deterioration of gudgeon anchors and lock walls; removal of intrusive objects or plant material that may cause harm to operating components; the monitoring of any geophysical activities that may pose harm to the resource; and the prevention of public access that may result in vandalism or other deliberately imposed harm.

**V.** Continue support of public outreach endeavors, including, but not limited to:

**A.** In cooperation with any volunteers, permit public tours of the Locks concurrent with Corps personnel on-site inspections and minimal maintenance activities, and continue to support local endeavors to heighten public awareness and appreciation of the Locks, as exemplified by the Willamette Falls Heritage Foundation's Lock Fest.

**B.** Upon requests and invitations, the Corps shall provide public presentations of the Locks' Past, Present and Future to interested organizations.

**C.** Corps shall conduct on-going conditions assessment of interpretive displays and shall inventory historical items, photographs, archives, and artifacts on display at the Lock Operator's Building and Museum, and seek professional services within the USACE or other curation facilities to inventory and conserve artifacts, archives and photos, and upgrade interpretive exhibits, so long as the Locks is in caretaker status. SHPO shall be afforded 30 days to review and comment on revisions and/or layout and content when interpretive elements are modified or replaced. The Corps shall review requests and facilitate the temporary loan of historic artifacts and resources to qualified local museums for public education purposes.

**D.** In consultation with signatories to this agreement, the Corps shall contract the development of a book, website, or video documentary to commemorate the history of the Willamette Falls Locks.

**E.** The Willamette Falls Locks and Navigation Canal will be documented for submittal to the Historic American Engineering Record (HAER) by a qualified professional meeting National Park Service Standards (36 C.F.R. part 61) in coordination with appropriate NPS staff. HAER documentation will incorporate, expand upon, and complete HAER documentation previously prepared for the Willamette Falls Locks Chamber No. 1 (completed in 1980). Draft documentation will be submitted to Oregon SHPO and the NPS for review and approval. The Corps will assure that any required modifications or revisions necessary for NPS approval of the HAER submittal are accomplished in a timely manner. Once NPS has reviewed and accepted the final documentation, it will be duplicated in either digital or hardcopy as preferred and supplied to NPS, SHPO, University of Oregon and the Oregon Historical Society. Proof of submittal of the NPS-approved HAER documentation to each of the above repositories will be provided to SHPO, completing this stipulation within four years of the final signature of this Memorandum of Agreement (MOA).

**F.** Within one of year of execution of this MOA, the Corps will further consult with the tribes to develop a mutually agreeable plan to enable means for conducting traditional cultural practices at Willamette Falls Locks.

**G.** Within twelve months of execution of this MOA, the Corps will have investigated and discussed the results of their investigation with the Willamette Falls Working Group the need for the Locks to be repaired and operational prior to transfer.

## **VI. ANTI-DEFICIENCY ACT**

**A.** The Corps shall make reasonable and good faith efforts to secure the necessary Federal funds to implement this MOA. The parties agree that any requirement for obligation of funds arising from the terms of this agreement shall be subject to inclusion in the President's Budget and the availability of congressionally appropriated funds for that purpose. This agreement shall not be interpreted to require the obligation or expenditure of funds in violation of the Anti-Deficiency Act.

**B.** If compliance with the Anti-Deficiency Act alters or impairs the Corps' ability to implement the stipulations of this MOA within the term of this agreement, the Corps shall conduct supplementary consultation with the signatories and concurring parties in accordance with Stipulations VII and VIII below.

## **VII. DURATION**

This MOA will expire upon completion of requirements in the above Stipulations, or if its terms are not carried out, within ten years from the date of its execution. Prior to such time, the Corps may consult with the other signatories and concurring parties to reconsider the terms of the MOA and amend or renew it in accordance with Section IX below.

## **VIII. MONITORING AND REPORTING**

Each year following the execution of this MOA until it expires or is terminated, the Corps shall provide all parties to this MOA a summary report detailing work undertaken pursuant to its terms. Such report shall include any scheduling changes proposed, any problems encountered, and any disputes and objections received in the Corps' efforts to carry out the terms of this MOA. In addition to an annual report, per Stipulation I above, the Corps will conduct meetings as required with signatories, concurring parties and other stakeholders to report on progress made toward accomplishing the terms of this agreement.

## **IX. DISPUTE RESOLUTION**

Should any signatory or concurring party to this MOA object at any time to any actions proposed or the manner in which the terms of this MOA are implemented, the Corps shall consult with such party to resolve the objection. If the Corps determines that such objection cannot be resolved, the Corps will:

1. Forward all documentation relevant to the dispute, including the Corps' proposed resolution, to the ACHP. The ACHP shall provide the Corps with its advice on the resolution of the objection within thirty (30) days of receiving adequate documentation. Prior to reaching a final decision on the dispute, the Corps shall prepare a written response that takes into account any timely advice or comments regarding the dispute from the ACHP, signatories, and concurring parties, and provide them with a copy of this written response. The Corps will then proceed according to its final decision.

2. If the ACHP does not provide its advice regarding the dispute within the thirty (30) day time period, the Corps may make a final decision on the dispute and proceed accordingly. Prior to reaching such a final decision, the Corps shall prepare a written response that takes into account any timely comments regarding the dispute from the signatories and concurring parties to the MOA, and provide them and the ACHP with a copy of such written response.

3. The Corps shall carry out all other actions subject to the terms of this MOA that are not the subject of the dispute.

#### **X. AMENDMENTS**

This MOA may be amended when such an amendment is agreed to in writing by all signatories. The amendment will be effective on the date a copy signed by all of the signatories is filed with the ACHP.

#### **XI. TERMINATION**

**A.** If any signatory to this MOA determines that its terms will not or cannot be carried out, that party shall immediately consult with the other signatories to attempt to develop an amendment per Section IX above. If, within thirty (30) days (or another time period agreed to by all signatories), an amendment cannot be reached, any signatory may terminate their interest in the MOA upon written notification to the other signatories.

**B.** If the MOA is terminated, and, prior to work continuing on the undertaking, the Corps must either (a) execute an MOA pursuant to 36 C.F.R. § 800.6 or (b) request, take into account, and respond to the comments of the ACHP under 36 C.F.R. § 800.7. The Corps shall notify the signatories as to the course of action it will pursue.

**C.** Execution of this MOA by the Corps, SHPO, and ACHP, and implementation of its terms evidences that the Corps has taken into account the effects of this undertaking on historic properties and afforded the ACHP an opportunity to comment.

#### **SIGNATORIES:**

**U.S. ARMY CORPS OF ENGINEERS,  
PORTLAND DISTRICT**

**OREGON STATE HISTORIC  
PRESERVATION OFFICER**

\_\_\_\_\_  
**Jose L. Aguilar**  
Colonel, Corps of Engineers  
District Commander

Date: \_\_\_\_\_

\_\_\_\_\_  
**Ms. Christine Curran**  
Deputy

Date: \_\_\_\_\_

**ADVISORY COUNCIL ON  
HISTORIC PRESERVATION**

\_\_\_\_\_  
**Mr. John M. Fowler**  
Executive Director

Date: \_\_\_\_\_

**CONCURRING PARTIES:**

Signing as a concurring party is primarily a way to express agreement with the contents of the MOA and acceptance of the outcome of the process (36 CFR 800.6(c)(3). Concurring parties do not have the rights of signatories; their approval is not needed to execute, amend, or terminate the MOA.

**CONFEDERATED TRIBES OF GRAND RONDE**

\_\_\_\_\_  
Reynold L. Leno, Chair

Date: \_\_\_\_\_

**CONFEDERATED TRIBES OF THE WARM SPRINGS RESERVATION OF OREGON**

\_\_\_\_\_  
[insert name and title]

Date: \_\_\_\_\_

**CONFEDERATED TRIBES AND BANDS OF THE YAKAMA NATION**

\_\_\_\_\_  
[insert name and title]

Date: \_\_\_\_\_

**NATIONAL TRUST FOR HISTORIC PRESERVATION**

\_\_\_\_\_ Date: \_\_\_\_\_  
[insert name and title]

**CLACKAMAS COUNTY**

\_\_\_\_\_ Date: \_\_\_\_\_  
[insert name and title]

**METRO**

\_\_\_\_\_ Date: \_\_\_\_\_  
[insert name and title]

**OREGON CITY CERTIFIED LOCAL GOVERNMENT**

\_\_\_\_\_ Date: \_\_\_\_\_  
[insert name and title]

**WEST LINN CERTIFIED LOCAL GOVERNMENT**

\_\_\_\_\_ Date: \_\_\_\_\_  
[insert name and title]

**ONE WILLAMETTE RIVER COALITION**

\_\_\_\_\_ Date: \_\_\_\_\_  
[insert name and title]

**WILLAMETTE FALLS HERITAGE FOUNDATION**

\_\_\_\_\_ Date: \_\_\_\_\_  
[insert name and title]

**WILLAMETTE FALLS HERITAGE AREA COALITION**

\_\_\_\_\_  
[insert name and title]

Date: \_\_\_\_\_

**RESTORE OREGON**

\_\_\_\_\_  
[insert name and title]

Date: \_\_\_\_\_

**PORTLAND GENERAL ELECTRIC**

\_\_\_\_\_  
[insert name and title]

Date: \_\_\_\_\_

**CITY OF WILSONVILLE**

\_\_\_\_\_  
[insert name and title]

Date: \_\_\_\_\_

**PACIFIC NORTHWEST WATERWAYS ASSOCIATION**

\_\_\_\_\_  
[insert name and title]

Date: \_\_\_\_\_

**CLACKAMAS COUNTY HISTORICAL SOCIETY**

\_\_\_\_\_  
[insert name and title]

Date: \_\_\_\_\_

**WILSONVILLE CONCRETE / MARINE INDUSTRIAL CONSTRUCTION LLC**

\_\_\_\_\_  
[insert name and title]

Date: \_\_\_\_\_

**WEST LINN PAPER**

\_\_\_\_\_  
[insert name and title]

Date: \_\_\_\_\_

**WILLAMETTE RIVER KEEPERS**

\_\_\_\_\_  
[insert name and title]

Date: \_\_\_\_\_

**eNRG KAYAKING**

\_\_\_\_\_  
[insert name and title]

Date: \_\_\_\_\_



DEPARTMENT OF THE ARMY  
CORPS OF ENGINEERS, PORTLAND DISTRICT  
PO BOX 2946  
PORTLAND OR 97208-2946

**MAY 15 2014**

Planning, Programs and Project  
Management Division

Mr. Roger Roper  
Deputy State Historic Preservation Officer  
Oregon Parks and Recreation Department  
State Historic Preservation Office  
725 Summer Street NE, Suite C  
Salem, OR 97301-1266

RE: Continued Section 106 Consultation Regarding the Caretaker Status of the Willamette Falls Locks, Oregon City, Clackamas County, Oregon

Dear Mr. Roper:

The U.S. Army Corps of Engineers, Portland District (Corps) is writing to notify you of its finding, pursuant to Section 106 (16 U.S.C. § 470f; 36 C.F.R. part 800) of the National Historic Preservation Act (Act), regarding the closure in November 2011 of the Willamette Falls Lock (locks), a property listed in the National Register of Historic Places (National Register). Please recall we previously notified you on August 21, 2013 about the potential for this action to cause effects on the resource in order to initiate compliance with the Corps' responsibilities under the Act. We have since determined that the closure of the locks to vessel traffic has had – and may continue to have – adverse effects on the character defining features and qualities that made the locks eligible for listing in the National Register.

Following our initial letter regarding this action, the Corps convened a Section 106 information meeting for consulting and invited parties wherein the Corps outlined the status of compliance, and sought input about the effects of the closure. The meeting took place February 25, 2014 at the Corps' Portland District office. A number of parties identified over the past year were invited to participate, including representatives from the Oregon State Historic Preservation Office, Certified Local Governments, historical organizations, elected officials, tribes, and leaders from the industrial, commercial, and recreation sectors. The Corps asked for comment specifically about the effects of the closure on the aspects of integrity that originally made the locks eligible for listing in the National Register, and also requested suggestions for developing the Area of Potential Effects (APE). Comments were recorded on paper and compiled for the record. At the conclusion of the meeting, the Corps explained that further comments would be received until March 28, 2014, at which time the Corps would communicate its findings of effects to the SHPO.

The following is a summary of considerations made by the Corps in developing an APE, and a rationale for a finding of adverse effects for the locks closure as regards National Register criteria and integrity guidelines.

Area of Potential Effects

Based upon review of comment letters and its own investigations, the Corps recommends that the APE for the closure action is defined by the entirety of the Corps owned resource, including the adjacent park land that includes buildings and structures incidental to the historic period. A map of the proposed APE is attached for your reference. While there are clearly a number of contemporary recreational and commercial uses that have relied upon the locks throughout the years, as well as potential cultural activities that may realize future benefits from a functioning locks, none of these interests – even if potentially historic – has lost measurable integrity due to closure.

The Corps considered whether a potential historic property outside of the locks boundaries, upstream or downstream, would lose its criterion A associations because the locks has ceased to pass vessels. It was determined that such a property would lose critical historical associations only if its eligibility has been visually or functionally dependent upon the operation of the locks. An example would be a river front structure fifty years of age that derived its primary significance from the servicing or outfitting of vessels before they entered the locks. The Corps has not identified properties with such associations that have been compromised by the closure. However, should specific examples of this association be presented, further investigation of property eligibility and effects can be made.

The Corps also did not find evidence that architectural or engineering values of properties located outside of the locks have been affected with respect to design, style, workmanship, or materials, though it can be asserted that the locks itself has experienced a loss of physical integrity, as discussed below.

In developing the APE, the presence of other National Register listed and eligible properties adjacent to or nearby the locks was also considered, including the Sullivan Power Plant and West Linn Paper Company, as well as the potential of a larger historic district that encompasses properties on Moore Island, as well as the locks. However, it was determined that, while certain economic relationships may have changed somewhat with the closure of the locks to vessel traffic, even if listed or eligible, these properties did not lose any critical historical associations or material integrity.

Finally, given the interest in establishing a heritage area in and around the falls, the Corps also considered the potential effects of the closure on a designation of this section of the river. While an operating locks might benefit commercial and recreational interests within a heritage corridor, the aggregate of historic properties – including a contributing, but non-active locks – could easily meet eligibility standards for such a designation. The Corps recommends that the

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closure of the locks does not compromise the potential nomination and listing of a Willamette Falls heritage area. However, it can be anticipated that a broader thematic designation focused around a functioning locks could generate important benefits to the area through heritage tourism and related economic activities.

Navigation/Transportation - Criterion A

The Corps acknowledges the pivotal role the locks have played in the navigational and transportation history of the Willamette River and environs at this locale since its operation began in 1873. Certain vessels no longer congregate before the locks and cannot use the waterway as a viable avenue of transport. The ability to understand and experience the historic function the locks had in moving commerce and people around the falls was best understood by the actual operation of the gates and the passage of vessels through them. The closure has created a degree of isolation of the facility from both vehicle and foot access and thereby reduced the associative and experiential qualities of a vibrant water passage with river traffic moving through the lock chambers. Although the gates are periodically exercised, without the direct association of watercraft an understanding of the locks' mechanical operation and historical role is no longer fully understood or conveyed. It is therefore concluded that a degree of visual association with navigation and transportation history has been lost within the immediate boundaries of the resource where those activities took place and were in display.

Architecture/Engineering - Criterion C

The Corps acknowledges its obligation to meet the standard of preservation of the locks, defined as measures that stabilize, repair, and retain a property's existing form as evolved over time. Toward this goal, the Corps performs basic maintenance and exercises the gates on a regular basis, and conducted an engineering inspection and evaluation of components to identify conditions and associated costs to address critical needs. Reporting has shown the gudgeon anchors may be in decline and should be replaced, although the level of suspected deterioration is not fully known, due to limited funding to fully probe the status of these components. To date, this lack of funding has prevented the Corps from reaching definite conclusions about the condition of the anchors and their ability to support the gates, beyond the finding that safety risks are too high to continue allowing the public and vessels into the locks' chambers.

However, the Corps believes that deferring replacement of the anchors could result in some type of failure of these components at an indeterminate point in time, and that higher costs may be incurred if this work is postponed long term. Other aspects of the locks that may require future repair include the masonry walls and timber components, all of which receive basic monitoring as part of the overall custodial care of the facility. Therefore, although a complete picture of the locks' mechanical and physical status can only be speculated, the Corps recommends that without replacement of the gudgeon anchors some degree of adverse effects to the engineering values of the resource may occur.

Traditional Culture

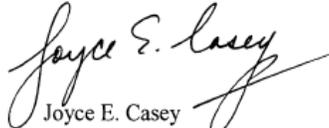
Comments from tribal representatives have shown that the locks were adapted during the historic period for various religious and cultural activities when full access to the falls was cut off by development. Though not cited in the National Register nomination, it has been demonstrated that access above the falls via the locks was essential for the continuance of traditional cultural and educational practices such as the canoe journey. Because the closure prevents native people from conducting these traditions and teachings to new generations, the Corps acknowledges the action has had an adverse effect on the tribes' ability to maintain certain aspects of their traditional culture. Non- native life ways based upon shipping and river transportation may also be viewed as aspects of traditional culture that have been curtailed to some degree by the closure action.

The Corps has determined that the closure of the Willamette Falls Locks to vessels has an adverse effect on the aspects of setting, association, and feeling that originally made the locks eligible for listing in the National Register, and that there is some potential for adverse effects to the character defining design, materials, features, and workmanship of the resource as long as the status of the gudgeon anchors and other materials and components remains partly unknown.

The Corps believes that continued engagement of all consulting and invited parties will be essential in crafting a meaningful resolution of adverse effects. The Corps also anticipates that all parties with cultural, historical, recreational, and commercial interests in the locks will provide valuable input into a separate Section 106 consultation if there is a future transfer of the property out of federal ownership. We look forward to further discussion of the Willamette Falls Locks closure with regard to this finding, and your advisement in developing the most appropriate means of avoiding, minimizing or mitigating the adverse effects of the closure action.

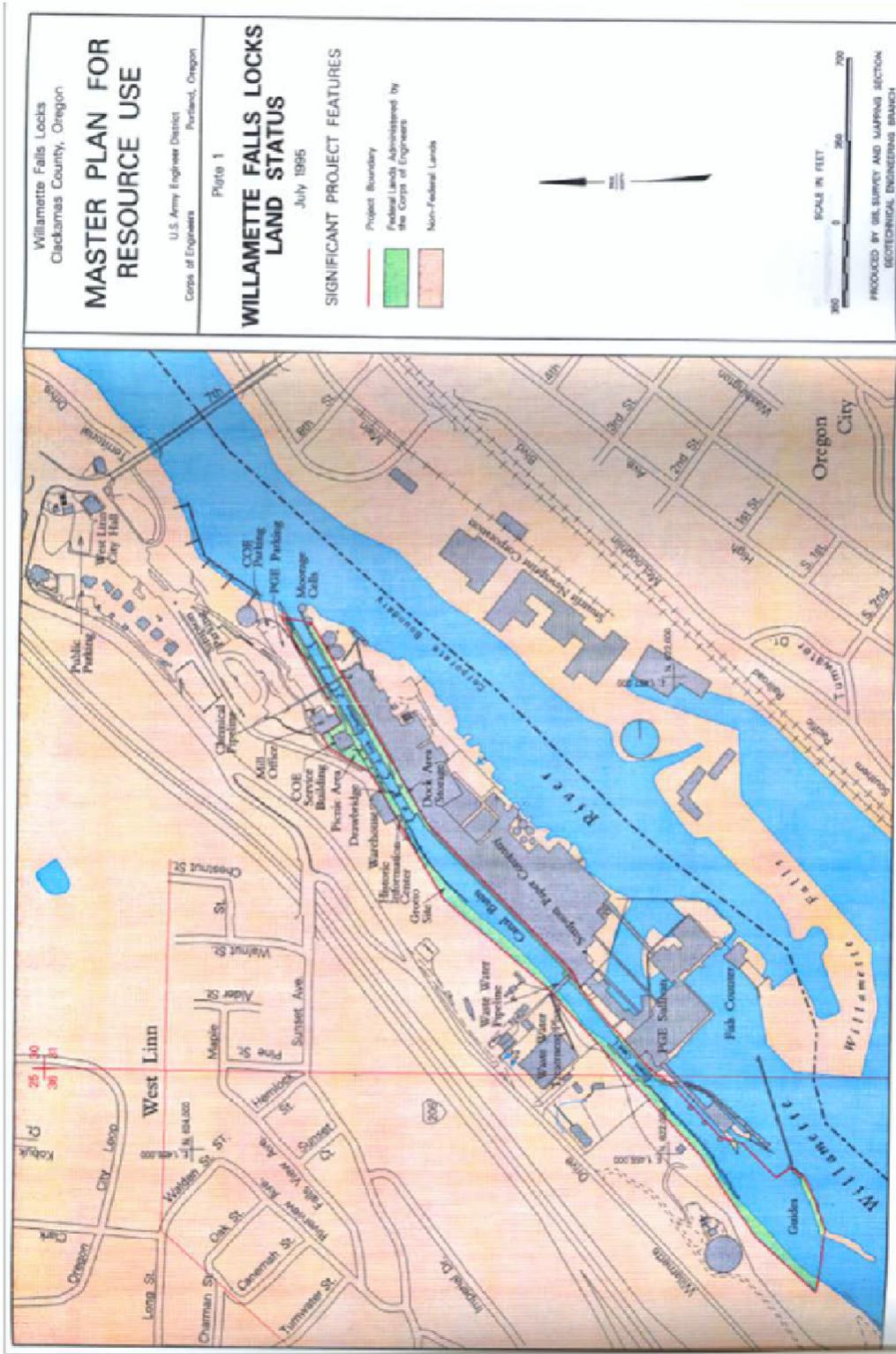
Questions regarding this evaluation may be directed to Ms. Lauren McCroskey, Program Manager, Technical Center of Expertise for the Preservation of Historic Buildings and Structures at (206) 764-3538, or by email at [lauren.l.mccroskey@usace.army.mil](mailto:lauren.l.mccroskey@usace.army.mil).

Sincerely,



Joyce E. Casey  
Chief, Environmental Resources Branch

Appendix A – Copy of Letter of Adverse Effects to State Historic Preservation Office



Appendix B – Boundary for the Area of Potential Effect is the “Project Boundary” outlined in red, constituting the Federal ownership, including the easement right-of-way for the Picnic Area.

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**CITY OF WILSONVILLE**  
**CITY COUNCIL MEETING MINUTES**

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A regular meeting of the Wilsonville City Council was held at the Wilsonville City Hall beginning at 7:00 p.m. on Monday, August 1, 2016. Mayor Knapp called the meeting to order at 7:15 p.m., followed by roll call and the Pledge of Allegiance.

The following City Council members were present:

Mayor Knapp  
Councilor Starr  
Councilor Fitzgerald  
Councilor Stevens  
Councilor Lehan

Staff present included:

Bryan Cosgrove, City Manager  
Jeanna Troha, Assistant City Manager  
Barbara Jacobson, City Attorney  
Sandra King, City Recorder  
Nancy Kraushaar, Community Development Director  
Mike Ward, Engineer  
Jon Gail, Community Relations Coordinator

Motion to approve the order of the agenda.

**Motion:** Councilor Fitzgerald moved to approve the order of the agenda. Councilor Starr seconded the motion.

**Vote:** Motion carried 5-0.

### **MAYOR'S BUSINESS**

Mayor Knapp reported on the regional meetings and events he attended on behalf of the City, and announced the upcoming Council meetings

### **COMMUNICATIONS**

Michael Duyck, Chief of Tualatin Valley Fire & Rescue introduced Public Affairs Officer Mike Dyers, and then presented his annual "State of the District" report. The Chief shared a handout showing the 2015 year-to-date incident snapshot for Wilsonville, with the incidents broken out by type and percentage of calls. Chief Duyck noted the number of calls increased proportionally to the increase in population and talked about the new mobile integrated health partnership program, the successful hands only CPR requirement for high school graduation in Oregon, and the new tiller trucks deployed in 2016.

Councilors asked about the number and type of traffic incidents and fatalities that occurred over the past five years on I-5 between the three Wilsonville interchanges (Elligsen Road, Wilsonville Road and Charbonneau), as well as the number of water rescues and incidents. The Chief will provide the information once it is assembled.

**CITIZEN INPUT & COMMUNITY ANNOUNCEMENTS** – There was none.

## **COUNCILOR COMMENTS, LIAISON REPORTS & MEETING ANNOUNCEMENTS**

Council President Starr – (Park & Recreation Advisory Board Liaison) announced the next meeting date of the Parks and Recreation Board. He asked if the City was recruiting at this time for the new Parks and Recreation Director. The Councilor announced the Farmers Market, and Rotary Concerts.

Mr. Cosgrove said interviews were being held this Monday and Tuesday.

Councilor Fitzgerald – (Development Review Panels A & B Liaison) described the approvals made by the Development Review Board Panels A and B. She invited the public to attend the Movies in the Park, and the Fun in the Park events.

Councilor Stevens – (Library Board and Wilsonville Seniors Liaison) reported the Wilsonville Seniors heard a report from Dick Spence on the possibility of Safeway participating in the community programs the former Thriftway had been involved in. The Councilor talked about the successful summer reading program hosted by the Library and announced the Community Health Fair.

Councilor Lehan – (Planning Commission and CCI Liaison) announced the Planning Commission has been working on the Coffee Creek URA Plan. She reminded citizens Wilsonville Road will be closed at the railroad tracks starting Friday, August 5 through the weekend. The Councilor thanked the citizens of Wilsonville and the surrounding area that attended the Clackamas County open house on the proposal to develop French Prairie farmland for industrial uses.

Councilor Lehan wanted to know about the status of the work being done regarding the number of trucks and speeding on Wilsonville Road.

Mr. Cosgrove indicated data is being collected and a memo will be sent to Council.

Councilor Lehan understood the theater in the High School was to be available to community theater groups since it was partially funded with URA money and asked how the local theater group could use those facilities. The Councilor suggested putting that issue on the list of discussion items for a joint meeting with the School Board.

Mr. Cosgrove will add that and the athletic fields to the issues.

Councilor Lehan invited the public to attend the Brewfest scheduled for August 13 in Villebois in addition to the Relay for Life Benefit set for August 19<sup>th</sup>.

Mike Ward provided information about the closure of Wilsonville Road to accommodate the complete reconstruction of the approaches to and the railroad bed that crosses Wilsonville Road.

Councilor Stevens pointed out the reader board does not have the times of day the road will be closed and asked for that information to be added.

## **CONSENT AGENDA**

Ms. Jacobson read the Consent Agenda items into the record.

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**CITY OF WILSONVILLE**  
**CITY COUNCIL MEETING MINUTES**

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**A. Resolution No. 2597**

A Resolution Of The City Of Wilsonville Authorizing The City Manager To Execute A Construction Contract With Pacific Excavation, Inc. For The 2016 Street Maintenance Railroad Crossing Repair (Capital Improvement Project 4014). (Staff - Ward)

**B. Resolution No. 2598**

A Resolution Of The City Of Wilsonville Authorizing Staff To Apply For Regional Flexible Funding Through The Metropolitan Transportation Improvement Program 2019-21 For The Design And Construction Of The I-5 Pedestrian And Bikeway Bridge. (staff -Weigel)

**C. Resolution No. 2599**

A Resolution Of The City Of Wilsonville Approving Application For A Metro Equitable Housing And Development Grant To Fund Creation Of An Equitable Housing Strategic Plan. (staff – Gail)

**D.** Minutes of the June 20, 2016 and July 7, 2016 Council Meetings. (staff – King)

**Motion:** Councilor Fitzgerald moved to approve the Consent Agenda. Councilor Lehan seconded the motion.

**Vote:** Motion carried 5-0.

## **PUBLIC HEARING**

Ms. Jacobson read the title of Ordinance No. 796 into the record on first reading.

**A. Ordinance No. 796 – First Reading**

An Ordinance Making Certain Determinations And Findings Relating To And Approving The Coffee Creek Urban Renewal Plan And Directing That Notice Of Approval Be Published. (staff – Kraushaar)

Mayor Knapp opened the public hearing at 8:10 p.m. and provided the hearing format.

Nancy Kraushaar prepared the following staff report, which is included here to provide background.

**Background**

A potential Coffee Creek urban renewal district was first identified in the 2007 Coffee Creek Industrial Master Plan. That plan envisioned development of a new employment center in north Wilsonville with 1,470 permanent jobs and an estimated annual payroll of \$55 million at build-out. The master plan reported that the area would be zoned for Planned Development Industrial – Regionally Significant Industrial (PDI-RSIA). This designation is appropriate for most light manufacturing, warehousing, distribution, and flex uses and also allows corporate headquarters and technology campuses.

In 2014, a Wilsonville Urban Renewal Task Force (Task Force) was convened to consider and recommend a city-wide urban renewal strategy. The Task Force included representatives from local taxing districts, as well as community and business leaders. The resulting Wilsonville Urban Renewal Strategic Plan recommended that a new urban renewal district be created for the Coffee Creek Industrial Area. The Strategic Plan concluded that in order to attract private-sector industrial development, the Coffee Creek Industrial Area requires a substantial investment in public infrastructure improvements such as new roads, sidewalks and utility lines. Once in place, these public improvements would be expected to then attract private investment and development that is estimated to increase the proposed district's

assessed value from a tax base of approximately \$62 million to approximately \$790 million over the life of the district.

The Task Force also recommended that an advisory vote be conducted to determine city-wide citizen support for a new urban renewal district. In November 2015, Wilsonville voters expressed support for creating a new urban renewal district for the Coffee Creek Industrial Area.

With support from voters, City Council directed staff to begin developing an urban renewal plan for the Coffee Creek Industrial Area. Some of the property is in the city limits while some is in unincorporated Washington County. All properties are expected to eventually annex into Wilsonville as development proceeds.

The approval process for the Plan has proceeded in accordance with ORS 457 and is detailed in this report under "Approval Process".

#### Coffee Creek Urban Renewal Plan

The Coffee Creek Urban Renewal Plan (Plan) area consists of approximately 258.35 acres of land including rights of way and is generally located between Day Road and Ridder Road and 95<sup>th</sup> Avenue and Grahams Ferry Road.

The proposed ordinance approves the Coffee Creek Urban Renewal Plan (Plan) and the accompanying the Coffee Creek Urban Renewal Report (Report). The Report contains goals, objectives, and projects for the development of the area. The goals of the Plan are listed in Section III of the Plan. The specific projects proposed in this Plan are outlined in Sections IV and V and include the improvement and construction of streets and utilities. The overall purpose of the Plan is to use tax increment financing to overcome obstacles to the proper development of the area.

The purpose of urban renewal is to improve specific areas of a city that are poorly developed or underdeveloped. These areas can have old deteriorated buildings, public spaces which need improvements, a lack of investment, streets and utilities in poor condition or they can lack streets and utilities altogether. The proposed urban renewal area has many properties that are undeveloped or under developed and lacks sufficient infrastructure to serve the planned industrial development.

Urban renewal is unique in that it brings its own financing source: tax increment financing. Tax increment revenues – the amount of property taxes generated by the increase in total assessed values in the urban renewal area from the time the urban renewal area is first established – are used to repay borrowed funds. The funds borrowed are used to pay for urban renewal projects. The Plan is projected to take 25 years of tax increment revenue collection.

The proposed maximum indebtedness, the limit on the amount of funds that may be spent on administration, projects and programs in the Area is \$67,000,000. This amount was reported in the ballot measure in November of 2015. The maximum indebtedness does not include interest paid on any borrowing by the urban renewal agency. The Report includes a proposed financing plan that shows that the Plan is financially feasible. It is understood that the Agency may make changes to the financing plan as needs and opportunities arise, typically during the annual budgeting process.

The Plan would be administered by the Wilsonville Urban Renewal Agency (Agency). Major changes to the Plan, if necessary, must be approved by the Agency and City Council as detailed in Section IX of the Coffee Creek Urban Renewal Report – Future Amendments to the Plan.

Approval Process

The process for approving the Coffee Creek Urban Renewal Plan includes the following steps, in accordance with ORS 457.

1. Preparation of a plan including opportunity for citizen involvement.
  - The Wilsonville Urban Renewal Task Force (Task Force) convened in 2014 and reviewed the overall urban renewal strategy and recommended formation of an urban renewal area for Coffee Creek.
  - In an advisory vote in November 2015, Wilsonville voters expressed support for creating a new urban renewal district in Coffee Creek.
  - An open house was held on April 25, 2016 when approximately 10 people attended, primarily property owners and developer representatives.
  - The Task Force was reconvened on April 25, 2016 for a review of the proposed Coffee Creek Urban Renewal Plan. Representatives of the Sherwood School District and Washington County were added to the Task Force. The Task Force voted unanimously to approve the Plan and send it to the Agency for their review.
  - Other opportunities for public input resulted at the July 13, 2016 Wilsonville Planning Commission meeting and will occur at the August 1, 2016 City Council public hearing and at the future Washington County Commission meeting.
2. May 17, 2016 – Washington County Commission briefing on the Plan.
3. June 20, 2016 – Wilsonville Urban Renewal Agency review of the proposed Plan and accompanying Report.
4. July 13, 2016 – The Wilsonville Planning Commission passed a resolution recommending to the City Council that the Coffee Creek Urban Renewal Plan is supportive of and in conformance with the applicable goals and policies of the City of Wilsonville Comprehensive Plan. A link to that record is attached.
5. The Washington County Board of Commissioners was scheduled to consider a resolution and order approving the establishment of the Coffee Creek Urban Renewal Plan but postponed doing so and has not yet rescheduled. Passage of the Ordinance by Wilsonville cannot occur until Washington County approves the Plan.
6. Notice to all citizens of Wilsonville of a hearing before the City Council.
  - Notice provided by city-wide mailing to property owners through the Boones Ferry Messenger in July and August issues.
  - Additional notices were mailed to the property owners of unincorporated properties.
7. Forwarding a copy of the proposed Plan and the Report to the governing body of each taxing district.
  - Informal notices were mailed to taxing jurisdictions on May 4, 2016.
  - Formal letters were sent out on June 21, 2016.
8. Hearing by City Council and adoption of the proposed Plan and accompanying Report by a non-emergency ordinance.
  - The City Council will hold the public hearing on August 1, 2016 with a first reading of the ordinance.
  - The second reading and final vote is to be scheduled for September 8, 2016.
  - The ordinance is a non-emergency ordinance and will not take effect until 30 days after its approval and during that period of time may be referred to Wilsonville voters if a sufficient number of signatures are obtained on a referral petition.

Ordinance Adopting the Plan

The ordinance adopting the Plan requires the City Council to make certain findings, which are listed in Section 1 of the ordinance. These findings are based on various documents and events and are summarized below.

1. The area designated in the Plan as the Coffee Creek Urban Renewal Area is blighted, as defined by ORS 457.010(1)(e) and (g) and is eligible for inclusion within the Plan because of conditions described in the Report in the section, “Existing Physical, Social, and Economic Conditions and Impacts on Municipal Services”, including the existence of inadequate streets and other rights of way, open spaces and utilities, and underdevelopment property within the urban renewal area.

This is the basic justification for the Plan and the Council’s finding is meant to make that justification explicit.

2. The rehabilitation and redevelopment described in the Plan to be undertaken by the Agency are necessary to protect the public health, safety and welfare of the City because absent the completion of the urban renewal projects, the area will fail to contribute its fair share of property tax revenues to support City services and will fail to develop and/or redevelop according to the goals of the City’s Comprehensive Plan.

This finding states the public purpose of the Plan is for the property in the urban renewal area to develop and redevelop according to the Comprehensive Plan. Property which is not developed or not fully developed and occupied does not contribute as much property taxes as fully developed property. The improvement of property in the urban renewal area will add to the tax base in the area and further support additional economic activity in the area.

3. The Plan conforms to the Wilsonville Comprehensive Plan as a whole, and provides an outline for accomplishing the projects described in the Plan, as more fully described in Chapter X of the Plan and in the Wilsonville Planning Commission Recommendation.

This finding is supported by Chapter X of the Plan and the Planning Commission’s conclusion that the Plan conforms to the Wilsonville Comprehensive Plan.

4. The Plan conforms to the Wilsonville Economic Development Plan as more fully described in the Plan.

5. The Plan conforms to the Washington County Comprehensive Plan as a whole as more fully described in Chapter X of the Plan.

6. The acquisition of real property provided for in the Plan is necessary for the development of infrastructure improvements in the area. Because the Agency does not own all the real property interests (e.g., rights-of-way, easements, fee ownership, etc.) that will be required to undertake and complete these projects as described in Chapter V of the Plan and Section IV of the Report.

The Plan authorizes acquisition of real property for infrastructure improvements. No property is specifically identified for acquisition.

7. Residential displacement may occur as a result of acquisition of land to complete infrastructure projects specified in the Plan. If residential displacement takes place, the requirements of law will apply to the acquisition and relocation assistance processes and provisions made for displaced persons.

Chapter VII of the Plan, “Relocation Methods”, addresses relocation assistance for residential or business occupants of property. No specific acquisitions that would result in relocation benefits have been identified, however, prior to such acquisition, the Agency shall adopt rules and regulations, as necessary, for the administration of relocation assistance.

8. Adoption and carrying out the Plan is economically sound and feasible in that eligible projects and activities will be funded by urban renewal tax increment revenues derived from a division of taxes pursuant to section 1c, Article IX of the Oregon Constitution and ORS 457.440, and other funding more fully described in the Section “Financial Analysis of the Plan” in the Report.

The Report contains information on the projected revenues and projected expenditures under the Plan and supports a finding that the Plan is economically sound and feasible.

9. The City of Wilsonville shall assume and complete activities prescribed to it by the Plan.
10. The Agency consulted and conferred with affected overlapping taxing districts prior to the Plan being forwarded to the City Council.

The Agency sent the formal consult and confers notification to taxing districts on June 21, 2016. Copies of the Plan and Report were mailed with a letter including an invitation to provide comments in writing on the Plan and Report. Informal notice was also provided by sending via email a copy of the DRAFT Plan and the Report to the affected overlapping taxing districts on May 4, 2016. To date the City has not received written recommendations from the affected taxing districts. If such recommendations are received, the Council will be required to “accept, reject or modify” recommendations and language to that effect and add it to the ordinance for its second reading and adoption.

The ordinance also calls for publication of a notice that the Council has adopted the ordinance, for the recording of the Plan by the Clackamas County Clerk and for transmitting the Plan to the Clackamas County Assessor.

Expected Results: The Coffee Creek Urban Renewal Plan is expected to deliver catalyst infrastructure projects that incent investment and job creation in the area.

Timeline: The Plan has been scheduled to be approved and adopted by ordinance in August or September 2016.

Legal Review / Comment: Because much of the land included in the land is located in unincorporated Washington County, Oregon law requires that the governing body of Washington County approve the Plan before this Ordinance can be passed. Because the Washington County Commissioners removed this matter from their agenda, and to our knowledge have not yet rescheduled, the City can move forward with first reading but cannot give final approval of the Ordinance, through a second reading until Washington County has approved the Plan.

Community Involvement Process: Formation of the Plan was guided by an Urban Renewal Task Force. There have been numerous opportunities for public involvement including a public open house, as well as a community-wide advisory vote. The hearings before the Planning Commission and City Council provide additional opportunities.

Notice announcing the City Council hearing was placed in the Wilsonville Spokesman on July 20, 2016. Notice was posted on the City of Wilsonville website as well as at 3 public locations, City Hall, Library, and Community Center, around the community. Notice was also provided through the July Boones Ferry Messenger which was mailed city-wide to property owners. Additional notices were mailed to the property owners of unincorporated properties in the urban renewal area.

Potential Impacts Or Benefit To The Community: The provision of infrastructure will allow the Coffee Creek Industrial Area to develop, creating jobs for the community with spin-off economic impact to the businesses in Wilsonville and the region and a future increased tax base that will benefit all taxing jurisdictions.

Urban renewal plans and the financing tool they allow includes indebtedness, debt that provides the capital to complete the projects in the urban renewal plan. While the projects represent a likely good long term investment for the City of Wilsonville, the debt nonetheless creates some risk for the City although extensive process is undertaken by the lenders and the City's Finance Department before urban renewal debt approvals.

State law limits the percentage of a municipality's total land area that can be contained in an urban renewal area at the time of its establishment to 25% for municipalities under 50,000 in population. This 25% cap is approached when the Coffee Creek Urban Renewal area is added to acreage of other Wilsonville urban renewal areas. The City will not be able to consider any new urban renewal areas until the existing urban renewal areas are reduced in size or closed.

*End of Staff Report.*

Ms. Kraushaar introduced Elaine Howard of Elaine Howard Consultants and Nick Popenuk from ECONorthwest. One more requirement needs to take place before Council can hold the second hearing on Ordinance No. 795 is for Washington County to take action and approve the Urban Renewal Plan since much of the area is outside the City limits at this time. Washington County does not have the matter on their agenda but staff is hopeful they will soon. Staff is proposing that Council hold the public hearing and first reading of Ordinance No. 795 and then schedule the second reading for September 8<sup>th</sup>.

The Council received the Urban Renewal Plan, the Urban Renewal Report, the Planning Commission record, and the public hearing notice sent to property owners in the City of Wilsonville and taxing agencies, in their packets. The one exhibit not included is the Washington County determination, which will be added once that takes place. The ordinance has been changed slightly to clarify that Washington County has not taken action, and to clean up the exhibit references.

Review of a Coffee Creek Industrial Area concept began in 1998. At that point the area was proposed to be an urban reserve area. In 2002 Metro brought this area into the Urban Growth Boundary (UGB) as Area 49. Following that, in 2007 a master plan was completed setting the stage for future zoning in the area which is Planned Development Industrial Regionally Significant Industrial Area (PDI-RSIA). At that point, 1,600 permanent jobs were envisioned with a \$55 million payroll. The \$62 million in assessed value is anticipated to grow into \$790 million if the area fully develops as an industrial area.

An infrastructure analysis for the area was completed in 2011 so staff would have a good idea of what infrastructure and utilities would be needed to serve the area.

In 2014 a city-wide Urban Renewal Strategic Plan was completed. The Urban Renewal Task Force and Strategic Plan identified a Coffee Creek Urban Renewal Area as something they would like the City Council to pursue. In November 2015 the Council placed a public advisory vote on the ballot on the

question of creating another district; the vote was passed to establish an urban renewal district in the area.

Ms. Kraushaar outlined the actions of the Urban Renewal Task Force, and the steps taken in the public process to move forward to adoption.

Nick Popenuk talked about the financial aspects of the urban renewal plan starting with maximum indebtedness. Maximum indebtedness is the total amount of debt the urban renewal area can borrow cumulatively over the life of the urban renewal plan, and it represents the total amount of urban renewal money that can be spent on urban renewal projects in the area. The estimated \$67 million maximum indebtedness is likely to take 25 years for the urban renewal plan to pay off and to close down the district.

A factor that affects the length of an urban renewal district is the future growth and assessed value. The primary funding source for urban renewal is tax increment financing. Tax increment financing is based on property tax revenue, and property tax revenue depends on property values. When it comes to forecasting future growth of assessed value in the area, there are two sources that generate that growth; one is very small and easy to predict-appreciation, the other is very large and very hard to predict-exception events.

Appreciation in Oregon is limited to three percent per year on the existing property values. In an area like this one where the majority of the property in the area is vacant rural land, that appreciation is fairly humble.

The exception event is the technical word county assessors' use when they talk about new development taking place. It is new development that is going to drive the growth in tax increment finance revenue in this area. Unfortunately, looking at an area of this size future development is hard to predict. We have done our best to estimate what we think will be the amount of development each year going forward. For the purposes of our Plan, we have assumed development is going to take place over a 20 year period, which equates to about 8 acres of development per year, at a value of about \$3 million per acre.

That is the long term forecast that the Plan uses. It is very likely that in some years there will be more development with more value, and in other years less development and less value. It is worth noting when looking at the Universal Health Care facility as well as the Republic Services expansion the value that those two projects are bringing on board and acreage they are developing are right about in line with the annual assumptions we are speaking about going forward. If the area develops at values consistent with those short term projects, over a period of 20 years that is essentially what the Plan is forecasting.

Mr. Popenuk displayed a slide summarizing the financial analysis which shows currently the property in the area generates about \$1 million per year in property taxes. When an urban renewal area is created that one million dollars will be frozen and that means that those properties will continue to generate that much money every year for the affected taxing district. But if property values increase over time, that increased value known as the "increment" will instead go to fund the urban renewal area and the projects that are listed in the Plan. The intention is that those projects will help fuel new development in the area that wouldn't have happened otherwise, leading to much faster growth and assessed value. That faster growth and assessed value means increment to use to pay off the debt on those projects, and then close down the urban renewal area. Once the urban renewal area is closed, then all of these affected taxing districts will reap the benefits of urban renewal after many years of giving up foregone revenue to the urban renewal area.

Mr. Popenuk explained the principle of shared tax increment finance revenue which shows up in the later years of a district.

Public improvements authorized under the Plan include upgrading infrastructure including transportation and utilities to encourage development. The total cost for all of the projects is estimated at \$58 million; however, not all of the projects will be built in 2016, it will take time to accumulate the funding to pay for them. Over time, the project costs increase due to inflation. He estimated in nominal dollars these projects will cost about \$79 million. From that \$79 million, he was not anticipating that 100% will be paid by tax increment financing. Other sources like system development charges, interest earnings, developer contributions and contributions from state or federal government sources would be able to contribute for a portion of the project costs. The numbers show about \$65 million for tax increment financing, and about \$14 million coming from other sources to cover the total \$79 million in project costs.

Urban renewal projects authorized by the Plan were described by Ms. Kraushaar. They are listed below.

**A. *Infrastructure Improvements***

Upgrade/provide infrastructure as necessary to allow for the development or redevelopment of parcels within and adjacent to the urban renewal area. The specific projects include:

***SW Day Road: SW Boones Ferry Road to SW Grahams Ferry Road***

SW Day Road will be upgraded to a concrete surfaced five- lane multi-modal urban (Major Arterial) standards including re-constructed intersections at SW Boones Ferry Road, and a new sewer system.

***SW Grahams Ferry Road: SW Day Road to Railroad Undercrossing***

SW Grahams Ferry Road will be upgraded to multi-modal urban (Minor Arterial) standards, with sewer, water and stormwater systems and including intersections at SW Cahalin Road, Java Road, and SW Elligsen Way.

***SW Java Road***

Construct new three lane road section with bike lanes, sidewalks, and landscaping from Garden Acres Road to Grahams Ferry Road.

***SW Garden Acres Road: SW Ridder Road to SW Day Road***

SW Garden Acres Road will be reconstructed to a three lane multi-modal urban (Collector) standards and will include a sewer and stormwater system. The reconstruction will include intersections with SW Day Road, SW Cahalin Road, SW Java Road, and SW Ridder Road/SW Clutter Road. The intersection at SW Day Road will be reconfigured and may signalized or be constructed as a roundabout.

***SW Clutter Road: SW Ridder Road to SW Grahams Ferry Road***

SW Clutter Road will be reconstructed to a two lane multi-modal local street section with a cul-de-sac or hammerhead at the west end. Water, sewer and storm water systems will be installed.

***Coffee Creek Industrial Area Sewer Extensions***

A new sewer collector will be installed to connect existing sewer collection pipes with new development in the Coffee Creek Industrial Area and extend to the new sewer to be constructed as part of the Day Road project.

***Lower SW Grahams Ferry Road Storm Outfall***

A large diameter stormwater pipe serving as the main discharge outfall for the CCIA will be installed in lower SW Grahams Ferry Road.

***Coffee Creek Industrial Area Regional Detention Pond***

Construct a regional detention pond with a surface area of approximately 260,000 square feet with an outfall to Basalt Creek.

***Coffee Creek Fiber Optic Network***

Fiber optic conduit and cable will be installed concurrent with other dry utilities as various roads are constructed.

***Railroad Undercrossing***

Grahams Ferry Road undercrossing project development. Perform preliminary analysis to determine needs and requirements for a modified underpass on Grahams Ferry Road and potentially partially fund improvements.

**B. *Debt Service and Plan Administration***

This project will allow for the repayment of costs associated with the implementation of the Coffee Creek Urban Renewal Plan. It also includes ongoing administration and any financing costs associated with issuing long- and short-term debt, relocation costs and other administrative costs.

Projects to be Completed Using Urban Renewal Area Funds

Projects	Project Costs	
	2016 Dollars	Nominal Dollars
SW Day Road	\$10,560,565	\$13,491,500
SW Grahams Ferry Road	\$10,766,185	\$17,631,400
SW Java Road	\$3,206,320	\$4,137,800
SW Garden Acres Road	\$14,911,850	\$16,961,200
SW Clutter Road	\$5,597,540	\$7,205,000
Coffee Creek Industrial Area Sewer Extension	\$1,798,390	\$1,997,900
Lower Grahams Ferry Road Storm Outfall	\$939,160	\$1,495,900
Coffee Creek Regional Detention Pond	\$5,824,000	\$8,900,000
Fiber Optic Cable	Included above	Included above
Railroad Undercrossing	\$2,400,000	\$3,947,500
Administration	\$1,222,582	\$1,874,600
Finance Fees	\$1,000,700	\$1,382,000
<b>Total</b>	<b>\$58,227,292</b>	<b>\$79,025,000</b>
<b>Sources of Funds</b>		
SDC or other funds	\$11,282,276	\$14,025,000
Interest Earnings	\$51,808	\$80,081
Tax Increment Funds	\$46,893,208	\$64,919,919
<b>Total</b>	<b>\$58,227,292</b>	<b>\$79,025,000</b>

Mr. Popenuk added even though the Urban Renewal Plan and Report are required to list projects individually and include a cost estimate for each of the projects identified in the Plan, along with the

timing for each project, none of that is binding. What is binding is the total dollar amount for maximum indebtedness and the fact that if a project is not listed in the Plan, you cannot spend money on it without amending the Plan to add the project to the Plan. Urban renewal areas have an annual budget process, and during that annual budget process the amounts to fund actual projects will be decided.

When talking about the actual foregone revenues, it is important to note that urban renewal impacts only the permanent property tax rates. Local option levies are not affected by urban renewal and general obligation bonds are only impacted if they were approved by voters before 2001.

Tables included in the Urban Renewal Report show each taxing district and how much foregone revenue they are losing each year for the life of the urban renewal area. For all taxing districts combined the foregone revenue totals \$93 million over the life of the district. The largest amount of foregone revenues is for the Sherwood School District at \$38 million; however, this loss of funding will be mitigated by the State School Funding program.

Mr. Popenuk spoke about the limits to the amount of area of the City that can be included in an urban renewal district, which is no more than 25% of its assessed value, or 25% of the acreage inside the city limits. The city has two urban renewal districts in place, the West Side Urban Renewal area and the Year 2000 Plan, and three site specific TIF zones which put it at 24.7% acreage in urban renewal, almost at the 25% limitation. Should the city want to create any additional/new or expand current urban renewal areas, acreage would need to be removed from existing urban renewal areas.

Ms. Kraushaar recommended setting the second reading of the ordinance for September 8<sup>th</sup> to allow Washington County time to make their decision. The item was on the Washington County agenda for July; however, it was removed, and staff is working to learn when it will be back on their agenda.

Mayor Knapp asked if the City would need to take further action if Washington County does not approve the Coffee Creek Urban Renewal Plan and Report, or would it be beneficial to revise the wording in Section 2 of the ordinance which reads: "..., the City Council hereby approves the Coffee Creek Urban Renewal Plan and Report *subject to approval by Washington County.*"

Ms. Jacobson agreed this was an odd situation but staff can revise the wording between the first and second reading of the ordinance. Until Washington County gives their approval, the ordinance will not be brought forward for a second reading. If approval has not been given by the date of the second reading, September 8<sup>th</sup>, then the ordinance will be continued.

Mayor Knapp referred to the term "foregone revenue", which assumes the \$753 million in development occurred without urban renewal. The term "foregone revenue" is confusing because it indicates the taxing districts lost or didn't get this much revenue, the only way those other agencies actually lost that much revenue is if the valuation in this area moved from \$85 million into \$838 million over 25 years without having any urban renewal to help build the infrastructure to enable and encourage that development. So to construe that as lost revenue is a misjudgment in some way. Some level of development would probably occur over 25 years without urban renewal, but without the infrastructure it seems that additional \$753 million in development would not occur.

Ms. Howard responded the statute requires certain things to be included in the Urban Renewal Report; one of the requirements is the fiscal impact statement on taxing jurisdictions. This particular district is different because it is basically undeveloped. And you can use that "but for" concept in this district to talk about almost all of the development within the district whereas, in many districts you cannot say how much of that goes or doesn't go, and there's no real economic standard that we can use. So to make sure

that there is no appeal, or challenge because of the statutory requirements, we are very conservative. That's why it is done that way. We also talk about the 'but for' concept because in Wilsonville's case that is very real. That area has been sitting there for a very long time undeveloped, and is it going to develop without urban renewal putting in the infrastructure, I don't think so, but we have to comply because of what the statutory requirements are in producing the Report.

Mayor Knapp thought providing a comparison to show how significant the tax revenue that would accrue with this development and is passed through to those agencies is, as compared to not doing this type of a project. He was concerned the public did not grasp the nuances of how urban renewal worked and the benefits of urban renewal.

Mr. Popenuk commented even though they did not have those specific numbers, that concept has been clearly explained to all of the taxing districts.

Ms. Howard offered to write an article for the *Boones Ferry Messenger* once the ordinance is adopted addressing that issue for the general public.

Councilor Fitzgerald liked the idea of articles in the BFM, to illustrate how that bank of revenue was developed, compared to not using urban renewal. And to show the care the community has taken to put the districts together and the successes is worth talking about.

Mr. Cosgrove felt the focus should be on the return on investment the City has realized in both of the districts over the life of the districts and identify projects that have been completed in Wilsonville that would not have been done were it not for urban renewal, is something that can be written about.

Ms. Kraushaar addressed the questions submitted by the Mayor. In Figure 1 of the Report, the un-shaded right-of-way area off of Day Road is the BPA property. The Garden Acres right-of-way adjacent to Republic Services annexations has been completed; however the maps have not yet been updated. Figure 3 in the Report indicates the comprehensive plan designations for both Washington County and Wilsonville for the property is industrial.

Mr. Popenuk addressed the question about the 2016 dollars and the nominal dollars and making sure the plan maximum indebtedness actually did have enough to cover the inflationary cost of projects over time. Inflation is added to the 2016 dollars to make sure the plan does have sufficient money to cover the projects.

Mayor Knapp invited citizen testimony.

John Martilla, 10000 SW Commerce Drive, thought the term "foregone revenue" had a negative connotation and he asked if the term "foregone revenue" is required by the statute or if another term could be used such as "opportunity cost" or "opportunity revenue" that might be less negative.

Mayor Knapp closed the public hearing at 9:00 p.m.

Elaine Howard commented the statute does not use the term "foregone revenue" it says, "A fiscal impact statement that estimates the impact of the tax increment financing both until and after the indebtedness is repaid upon all entities levying taxes upon property in urban renewal area." The term 'foregone revenue' is a term of art used and understood by most people in the urban renewal field; we do not have to use the term.

Mayor Knapp suggested the term be worked on before second reading to better describe in a neutral way.

Mr. Cosgrove proposed the term “fiscal impact”.

Mr. Popenuk stated the term “foregone revenue” is a technical term and is interpreted to be the more optimistic term versus impact. Generally, if we list the fiscal impacts, the word “impact” sounds like this is actually affecting the taxing district; whereas “foregone revenue” is a more technical term that is just referring to the revenue that will be collected by the urban renewal area which will be foregone by the other taxing districts. He would work on finding a descriptive term that is both accurate and has the right meaning for laypersons.

**Motion:** Councilor Stevens moved to adopt Ordinance No. 796 on first reading. Councilor Fitzgerald seconded the motion.

Councilor Starr asked if the City was waiting for decisions from any agency other than Washington County. Mr. Cosgrove indicated “no”.

The Mayor stated the potential for private investment and jobs could be significant to the community, beginning with the \$32 million development of Universal Health Systems. He spoke about the positive historical use of urban renewal in Wilsonville.

**Vote:** Motion carried 5-0.

#### **CITY MANAGER BUSINESS**

Mr. Cosgrove reported the community survey is completed and the results will be presented to City Council September 19<sup>th</sup>. It came as no surprise the most open ended comment is about traffic issues in the City.

**LEGAL BUSINESS** – There was no report.

#### **ADJOURN**

Mayor Knapp adjourned the meeting at 9:10 p.m.

Respectfully submitted,

\_\_\_\_\_  
Sandra C. King, MMC, City Recorder

ATTEST:

\_\_\_\_\_  
Tim Knapp, Mayor

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A regular meeting of the Wilsonville City Council was held at the Wilsonville City Hall beginning at 7:00 p.m. on Monday, August 15, 2016. Mayor Knapp called the meeting to order at 7:12 p.m., followed by roll call and the Pledge of Allegiance.

The following City Council members were present:

Mayor Knapp  
Councilor Starr  
Councilor Fitzgerald  
Councilor Stevens  
Councilor Lehan

Staff present included:

Bryan Cosgrove, City Manager  
Jeanna Troha, Assistant City Manager  
Barbara Jacobson, City Attorney  
Sandra King, City Recorder  
Delora Kerber, Public Works Director  
Mark Ottenad, Government and Public Affairs Director  
Jon Gail, Community Relations Coordinator  
Nancy Kraushaar, Community Development Director  
Dan Pauly, Planner

Motion to approve the order of the agenda.

**Motion:** Councilor Starr moved to approve the order of the agenda. Councilor Fitzgerald seconded the motion.

**Vote:** Motion carried 5-0.

### **MAYOR'S BUSINESS**

- A. South Korean Delegation from Yeosu City led by Mayor Won Kyeong Hei (John Lim, Korean War Memorial Foundation of Oregon) (Staff – Ottenad)

Senator Lim expressed his appreciation to the Mayor and Council for the reception provided by the City of Wilsonville. He introduced Mayor Won Kyeong-Hei of Yeosu-city, who was interested in developing a relationship with Wilsonville.

Through an interpreter Mayor Kyeong-Hei thanked the Mayor and Council for the warm welcome the delegation received in Wilsonville. He thanked the country for sending soldiers who gave their lives protecting Korea from the Japanese, and Wilsonville for creating the Korean War Memorial so those memories would be kept alive. Mayor Kyeong-Hei hoped to create a friendship and exchange of culture, education and economy between the two cities.

Mayor Knapp said the City looked forward to opportunities to broaden the knowledge between the two countries. As the Mayor read the Proclamation declaring August 15<sup>th</sup> as “Yeosu City Day in the City of Wilsonville to Celebrate International Peace and Cooperation” it was translated into Korean.

Senator Lim commented that August 15, 1945 was the date of Korean liberation from the Japanese, which made the Proclamation more poignant.

B. Proclamation Declaring September National Preparedness Month (staff – Kerber)

Delora Kerber, Public Works Director, said September is National Preparedness Month, and outlined the weekly activities that can be taken to prepare families and businesses in the event of a disaster. She added that information about how to prepare is available on the city's website and will be included in the September BFM.

C. The Mayor reported on the meetings he attended on behalf of the City of Wilsonville, including briefing sessions conducted by staff and councilors for candidates of state government so they understand Wilsonville' legislative priorities.

### **COMMUNICATIONS**

2016 Arts Festival Video – Theonie Gilmore, Wilsonville Arts and Culture Committee  
Ms. Gilmore was not in attendance consequently the item will be rescheduled.

### **CITIZEN INPUT & COMMUNITY ANNOUNCEMENTS**

This is an opportunity for visitors to address the City Council on items *not* on the agenda. It is also the time to address items that are on the agenda but not scheduled for a public hearing. Staff and the City Council will make every effort to respond to questions raised during citizens input before tonight's meeting ends or as quickly as possible thereafter. Please limit your comments to three minutes.

**Chris Heydemann**, 28329 SW Paris Ave, Wilsonville spoke about the trespassing occurring into the unfinished skate park located at the corner of Paris and Palermo streets in Villebois. Although the area is fenced, skate boarders are jumping the fence in the afternoons and at night to use the skate park. He was concerned about the negative effects such a park would have on his neighborhood in terms of alcohol use, smoking, vaping, broken glass and loud behavior. The police have responded three times and removed the trespassers; however, he wanted to know what the City can do to solve the problem.

City Manager Cosgrove stated he has spoken with law enforcement that relies on citizens to report such activity. At this time the City is limited on its response since the park is under the control of the HOA. He offered to have staff work with the HOA to post reasonable rules for use of the park.

Councilor Fitzgerald wanted it known that trespassing was not okay, particularly since the area is fenced off. She was concerned that people will continue to trespass into a posted area.

Mr. Cosgrove said he will follow up with the Police Chief to learn what conversations took place with the trespassers and he will communicate the neighborhoods concerns to the police.

Ms. Troha added City staff is addressing the issue from multiple fronts by talking with Polygon staff about adding measures to make sure trespassing does not occur and the Chief has spoken to his officers about additional park patrols. Fencing will be installed by Polygon to surround the entire park until it is completed.

The entire Council was worried about the tone and social impact on the neighborhood and it was an issue to be proactive about.

Mayor Knapp thought this was an issue to be proactive about that the entire council was worried about the tone and social impact on the neighborhood.

**Pat Wolfram**, of 26041 NE Butteville Rd, Wilsonville spoke about the American Cancer Society Relay for Life which is an event to honor cancer survivors and victims in Wilsonville. Mr. Wolfram talked about the relay which has been shortened to a 4-hour event held in Town Center Park. He thanked Council for allowing the event to take place.

**Dick Spence**, 8420 A SW Curry Drive, Wilsonville thanked the Mayor for the Relay for Life proclamation that was read at the previous Council meeting. He added Safeway will be holding their grand opening on the 17<sup>th</sup> and invited the Mayor and Council to attend. Safeway is eager to become involved in the community and has made donations to both Wilsonville Community Sharing and to the High School.

### **COUNCILOR COMMENTS, LIAISON REPORTS & MEETING ANNOUNCEMENTS**

Council President Starr – (Park & Recreation Advisory Board Liaison) commented with the hot weather the water features in Town Center Park and Murase Plaza are being enjoyed by many. He noted the Parks and Recreation Director position is not filled yet, and invited the public to attend the Thursday Farmers Market in Villebois.

Councilor Fitzgerald – (Development Review Panels A & B Liaison) announced the date of the next DRB meeting. She noted the Wilsonville Brew Fest held last weekend was well attended and successful in raising funds for Wilsonville Community Sharing.

Councilor Stevens – (Library Board and Wilsonville Seniors Liaison) noted the date of the next Library Board meeting. She added the Wilsonville Community Seniors continue to explore innovative ideas to further their fundraising for seniors who are struggling financially.

The Councilor stated the Wilsonville Stage Theater Group (Theater Group) approached the Wilsonville Community Seniors about using the Community Center for rehearsals and performances, not on an ongoing basis, but for a one-time event. This Council has talked about supporting arts and culture within Wilsonville, and she wanted to discuss an arrangement to allow the Theater Group to use the Community Center for their fall play.

Mayor Knapp asked if there was a clear picture of the request.

Mr. Cosgrove understood this was a one-time request. Staff has made the Theater Group aware there are grant opportunities available, but because of the timing of this play, they would not be able to access or request those funds for their fall play. The order of magnitude for what they would need has changed from \$1800 to \$2800 because of the facility rental cost and the building monitor. He made it clear that the city did not want to set the precedent of waiving fees for anyone; but if Council desired, general fund dollars could be used to support the request as “bridge funding” to allow the Theater Group time to talk with Brian Stevenson and Jon Gail about the two different grants that are available. Mr. Cosgrove has spoken to Councilor Lehan about the request. However, he has not had a chance to speak to the City Attorney who has concerns.

Ms. Troha said the important piece is that the request is a one-time only request for their fall production, with rehearsals beginning in September.

Councilor Stevens indicated she did not want the programmed activities at the Community Center to be bumped.

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Ms. Troha stated Ms. Brescia has looked at the Community Center schedule, and no scheduled activities would be bumped, the use would be only on days that the time is available for use by the Theater Group. The Theater Group would be treated like anyone else who looked at the availability of the Community Center; they would not receive priority treatment over classes or activities already scheduled.

Councilor Stevens shared the Theater Group made a commitment to perform the play for the seniors at the Community Center.

Mr. Cosgrove pointed out the Council can put stipulations on anything they want to grant.

Mayor Knapp asked what type of action was needed from the Council to enable this to proceed and to encourage the Theater Group to apply for a grant in the future.

Mr. Cosgrove thought if the Council wanted to do this on a one-time basis, the City could find the revenue to backfill the revenue lost for the rental and pay for the building monitor, we could do a one-time grant for that from the General Fund. The City Attorney has concerns that she wants to review before a final “yes” was given, and one of them relates to the Federal Funding used to build the facility which puts restrictions on the use of the building and to insure that the City was not running afoul of any Federal regulations; the other is the fee waiver, then again the City is not waiving fees.

Ms. Jacobson wants to review the funding issue. She commented any time Council does a one-time thing, can lead to other one-time things from other groups. There is a requirement with any public funds that there be a public purpose for it. She had understood the request to be for fee waivers, and that was what she focused on. There is an issue in looking at what the City does for one group versus another – there is always the concern of discrimination in content based decisions to support or not support.

The Mayor asked what direction staff would need.

Mr. Cosgrove suggested a motion and second that the City could fund this on a one-time basis, with whatever stipulations Council want to add, subject to city attorney review. The City could draft an agreement with the Theater Group to memorialize the terms.

Councilor Starr proposed having the Council use part of the \$25,000 grant given in October to provide the funds to the Theater Group and then reduce the grant by that amount as opposed to waiting until October.

Mr. Cosgrove agreed it would be pre-empting the process, but we can have that conversation with the Parks and Recreation Board to let them know what we are doing and why.

If this proposal was the one selected by Council, Councilor Starr wanted to be sure the Council received the accounting of the funds, and the budget similar to what the grant process requires.

The Mayor commented the Theater Group has approached Council a number of times about finding ways to help further the performing arts in Wilsonville. He thought a performance for the seniors would be appropriate and that they need to understand the grant systems in place and fit within those processes. Councilor Starr’s idea about acting on the request as part of the grant cycle in the fall has merit.

Councilor Fitzgerald expressed her support for the arts, and that the Theater Group had been to Council before. She was aware that groups similar to this scramble to complete grant applications in time for the deadlines, but how do we distinguish that this is different. The Councilor asked to record what is unique about this situation because we discussed that the request is out of order but that an opportunity has come

up. She appreciated being sensitive to the process for the whole community, and thought this may be a chance to respond to a significant community demand for this type of activity.

**Motion:** Councilor Lehan moved that we cover the costs for the building monitor and rental of the space of the Community Center on behalf of the Wilsonville Stage Group, on a one-time basis. And that we direct staff to make sure that it works with the Community Center schedule and it works with the legal department and is appropriately funded on a one-time basis. Councilor Fitzgerald seconded the motion.

Mayor Knapp asked if Councilor Lehan had a preference on the funding source. Councilor Lehan would defer to the advice of the City Manager and the City Attorney for which funding source would be the most appropriate.

Councilor Lehan stated this is an opportunity for the Council to show its commitment to the arts and to theater in Wilsonville. There has been discussion about a performing arts facility for decades, but the opportunity for doing so has not presented itself. Councilor Lehan thought the joint use of the High School Theater facilities could be a topic of discussion with the School Board at our joint meeting. Looking at the venues that might “bridge the gap” between now and whenever a performing arts center might become feasible ought to be completed.

Councilor Starr pointed out the motion did not have a dollar amount, asking if the amount can be capped.

Mr. Cosgrove recommended capping the dollar amount to find the building monitor and the facility rental, for the one production this fall in an amount not to exceed \$3,000.

Councilor Lehan agreed no more than \$3,000.00. The seconder to the motion agreed with the \$3,000 cap.

**Vote:** Motion carried 5-0.

Councilor Stevens announced the Leadership Academy Health Fair scheduled for Saturday at Town Center Park.

Councilor Lehan – (Planning Commission and CCI Liaison) announced the September 14<sup>th</sup> Planning Commission meeting will start at 7 PM due to an open house on the Frog Pond Master Plan that is scheduled prior to the Commission meeting. The Councilor said she has received good feedback on the improvements made to the railroad crossing on Wilsonville Road, and she invited the public to attend the grand opening of Montague Park in Villebois. Councilor Lehan said the City is working with the County on solutions to address the thru trucks on east Wilsonville Road.

## **CONSENT AGENDA**

Ms. Jacobson read the Consent Agenda items into the record by title only.

A. **Resolution No. 2596**

A Resolution Of The City Of Wilsonville Authorizing The City Manager To Execute A Professional Services Agreement With MIG, Inc. (Community Development Project #3004) (Staff – Bateschell)

**B. Resolution No. 2600**

A Resolution Of The City Of Wilsonville Authorizing The City Manager To Execute A Construction Contract With Northstar Electrical Contractors, Inc. For The 2016 Street Light Infill (Capital Improvement Project 4696). (Staff – Mende)

**Motion:** Councilor Stevens moved to approve the Consent Agenda. Councilor Starr seconded the motion.

**Vote:** Motion carried 5-0.

**PUBLIC HEARING**

Ordinance No. 795 was read into the record by title only on first reading by the City Attorney.

**A. Ordinance No. 795 – 1st Reading**

An Ordinance Of The City Of Wilsonville Approving A Zone Map Amendment From The Public Facility (PF) Zone To The Village (V) Zone On Approximately 3.2 Acres Located In The Villebois Village Center, West Of Villebois Drive North, South Of Future SW Paris Avenue. Comprising Tax Lot 2900 Of Section 15AC, T3S, R1W, Clackamas County, Oregon, Polygon WLH LLC, Applicant. (Staff – Pauly)

Mayor Knapp opened the public hearing at 8:35 p.m. and read the land use hearing protocol.

Mr. Dan Pauly presented the staff report. The issue before Council is approval of a zone map amendment on approximately 3.2 acres located in the Villebois Village Center, west of Villebois Drive North and south of future SW Paris Avenue. Following their review at the July 25<sup>th</sup> meeting, the Development Review board, Panel B recommended approval of the Zone Map Amendment from a Public Facility (PF) zone to Village (V) zone.

The zone map amendment will rezone the land proposed to be developed as 82 condominiums in three 24-34 unit buildings, and 10 row houses and associated streets, alleys, and open space in the Villebois Village Center. The proposed zoning is consistent with the Comprehensive Plan designation of Residential-Village.

The applicant is requesting a total of 92 units, 10 row houses configured in two five-plex buildings, and three condominium buildings which are stacked flat, and elevator served, and the units are all one-level living. Two buildings have 24 units and another building with 34 units with supporting garages and parking. Renderings of the elevations of the buildings were displayed.

Councilor Fitzgerald pointed out the documents contain the phrase “public forest” which needs to be corrected to “public facility”. She asked Mr. Pauly to describe the different architectural styles of the five buildings.

Mr. Pauly said in the single family and row house areas of Villebois the buildings follow a pattern book where a particular architectural style with specific elements is prescribed. When the house plans come in they are reviewed by a consultant architect to make sure they conform to one of the housing styles in the pattern books.

In the Village Center there is a different approach. There is what is called the Village Center Architectural Standards. Specific styles are not required; rather the buildings must include different

elements and not clash with other building styles. The building does not need to meet an architectural style such as “American Modern”. There is a list of different elements that are required for this development adopted by the DRB, such as having a heavy base material at different levels and details about breaking up long facades, and the size of balconies.

Councilor Starr asked if what is being presented tonight is consistent with the density as it was first laid out, or is it denser or less dense. He also asked if the number of parking spaces were the minimum standard and how many parking spaces are actually in the plan.

Mr. Pauly stated the density is slightly less with this approval by five units. The number of parking spaces exceeds the parking requirements. Specific conditions have been imposed on the use of the garages and garage buildings, in that the garages are large enough to fit bicycles and trash cans, as well as include a standard sized parking space. There is a specific condition of approval recommended by staff and adopted by the DRB requiring there be restrictions in the CC&Rs that the garages must be kept clear for parking. An additional condition is a requirement that signs be posted inside the garages with the amount of space to be kept clear for parking.

Mr. Pauly felt that everything has been done, based on past experience, to insure the garages will be used for the required parking, and with that they do exceed the minimum parking. He reiterated the center of Villebois has an urban feel and urban on-street parking is expected to be used.

Councilor Starr wanted to know how the use of garages for parking would be enforced.

Mr. Pauly said the garages must be accessible and usable to be counted as part of the required parking. The condominium association would enforce the in garage parking requirement. Mr. Pauly stated that Charbonneau has similar requirements which are strictly enforced by the condominium association.

Councilor Starr asked how many parking spaces is the minimum amount and how many spaces are provided for these units. Mr. Pauly said the minimum required is 118, with 166 provided in total.

Mayor Knapp asked if there was sufficient density in the Villebois Center to enable businesses in the Village Center to succeed.

Mr. Pauly stated there were more rooftops at the density planned in the Village Center and that Villebois was on track to support the services in the Village Center core. These new units are next to the mixed use buildings.

Councilor Fitzgerald referred to Table 1, Percent of Max Unit Count by Unit Type in the DRB documents on page 11 of 123 (shown below) where the degree of density being met is shown.

Table 1 Percent of Max Unit Count by Unit Type

Unit Type	% of Max Unit Count Reflected in Original SAP Central Land Use Table
Village Apartment	80.9%
Condo	86.1%
Row house	93.5%
Mixed-Use Condo	53.1%
Urban Apartment	90%
Small Lot Single-family	90%
Specialty Condo	97.7%

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Mr. Pauly explained there were a couple of different methods used in tracking the density in the Village Center, one is a table that gives a specific number for each unit type, and then another is a map that gives a range for each unit type. Essentially all of those numbers explain the assumptions that had to be made to make the ranges on the map match the numbers in the table. That shows the work on how the numbers were reached, it is not necessarily the percent of those is expected or built, it shows how the math works out to correlate a range on a map to a single number in a table.

Mayor Knapp invited public testimony.

Ms. Jacobson recommended including the correction of the Scribner's error in the caption of the Ordinance when the motion is made.

Pam Bernadaro of Polygon Homes stated this project contains 82 condominiums and 20 row homes. The condominiums will be single level homes with a central corridor and be served with an elevator. The condominium units range from 1 to 3 bedrooms, mainly 2 bedrooms, and they will range in size from 700 square feet to 1100 square feet. The row homes will have an attached garage and driveways while the condo buildings will have some attached garages although not direct access with driveways. There is an enhanced pedestrian path from the neighborhood to the park and the piazza. Polygon has experience in developing the condominium product in other high density neighborhoods and it is very popular since it is a single-story smaller footprint home which is easily maintained.

Conversations with potential buyers are held to set expectations regarding parking in that town homes are different than a subdivision. During the counseling process agents talk with their customers about the density of the neighborhood, and the parking. In particular after move-in that the owners are able to park their car in their garage. The Home Owners Association insures the proper use of garages and that they are not being used for storage, with information provided during HOA meetings.

Ms. Bernadaro said the selling point on the lower end will start at \$200,000 and go up from there. As a builder, Polygon does not sell initially to investors, and owners cannot rent their unit unless they can demonstrate a hardship. Polygon prefers to have owner-occupied units, and there is a statement in the CC&Rs that the unit cannot be sold within the first 12 months unless there is a hardship.

Councilor Stevens commented the CC&Rs can have declarations regarding rental units.

The Mayor invited testimony hearing none the hearing was closed at 9:02 p.m.

**Motion:** Councilor Lehan moved to adopt Ordinance No. 795 with the correction to Scribner's error referring to *Public Forest* on first reading. Councilor Fitzgerald seconded the motion.

Councilor Starr had voiced his concerns with the parking but the development conforms to the City standards. The housing dynamic has changed in the past two years, causing more people to share apartments which has thrown the parking standards off in multi-family housing and creates traffic issues that had not been thought of before. Councilor Starr appreciated what was presented, and from the standpoint of the City standards for parking, that Polygon provided more parking than the standards required.

Mayor Knapp mentioned the plan for Villebois has been to have density gradation from the center to less density around the edge of the development.

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**Vote:** Motion carried 5-0.

**NEW BUSINESS**

- A. Resolution No. *Placeholder*  
Clackamas County Gas Tax IGA (Staff – Jacobson)

This item is on the agenda as a placeholder in the event a resolution was necessary to agree to the requirement to approve a resolution or an IGA to receive revenue from the Clackamas County fuel tax which will be voted on at the November 2016 election. On August 8<sup>th</sup>, the Board of County Commissioners voted to eliminate that requirement. Since the County Commissions have changed their process no resolution or IGA is necessary and the tax revenue will be split 60/40 with cities receiving 40 percent based on the city's population.

Councilors recognized the importance of maintaining the County road infrastructure and discussed whether there was an obligation to publically support the County measure by passing a resolution or including a statement in the voter's pamphlet. They were unsure if the County would be listing the names of cities in support of the ballot measure in the voter's pamphlet and asked staff to look into whether supportive cities were to be listed in the voter's pamphlet, and if so, a resolution could be put on the agenda for the September 8<sup>th</sup> Council meeting. Councilors felt there was sufficient time to adopt a resolution in support of the County ballot measure between now and the November election.

**CITY MANAGER'S BUSINESS**

Mr. Cosgrove reminded the Council about the neighborhood bar-b-que in Morey's Landing this Thursday at 5 p.m.

**LEGAL BUSINESS** – No report was given.

**ADJOURN**

Mayor Knapp adjourned the meeting at 9:20 p.m.

Respectfully submitted,

\_\_\_\_\_  
Sandra C. King, MMC, City Recorder

ATTEST:

\_\_\_\_\_  
Tim Knapp, Mayor

**ORDINANCE NO. 795**

**AN ORDINANCE OF THE CITY OF WILSONVILLE APPROVING A ZONE MAP AMENDMENT FROM THE PUBLIC FACILITY (PF) ZONE TO THE VILLAGE (V) ZONE ON APPROXIMATELY 3.2 ACRES LOCATED IN THE VILLEBOIS VILLAGE CENTER, WEST OF VILLEBOIS DRIVE NORTH, SOUTH OF FUTURE SW PARIS AVENUE. COMPRISING TAX LOT 2900 OF SECTION 15AC, T3S, R1W, CLACKAMAS COUNTY, OREGON, POLYGON WLH LLC, APPLICANT.**

**RECITALS**

WHEREAS, Polygon WLH LLC has made a development application requesting, among other things, a Zone Map Amendment for the Property to develop a 92 unit condo and row house development and associated alleys and other improvements consistent with the Villebois Village Master Plan; and

WHEREAS, RCS-Villebois Development LLC as the property owner and an authorized representative has signed the appropriate application form; and

WHEREAS, the City of Wilsonville Planning Staff analyzed the Zone Map Amendment request and prepared a staff report for the Development Review Board, finding that the application met the requirements for a Zone Map Amendment and recommending approval of the Zone Map Amendment, which staff report was presented to the Development Review Board on July 25, 2016;

WHEREAS, the Development Review Board Panel 'B' held a public hearing on the application for a Zone Map Amendment and associated development applications on July 25, 2016, and after taking public testimony and giving full consideration to the matter, adopted Resolution No. 330 which recommends that the City Council approve a request for a Zone Map Amendment (Case File DB16-0020) and adopts the staff report with findings and recommendation, all as placed on the record at the hearing; and

WHEREAS, on August 15, 2016, the Wilsonville City Council held a public hearing regarding the above described matter, wherein the City Council considered the full public record made before the Development Review Board, including the Development Review Board and City Council staff reports; took public testimony; and, upon deliberation, concluded that the proposed Zone Map Amendment meets the applicable approval criteria under the City of Wilsonville Development Code;



**ORDINANCE NO. 795– ATTACHMENT 1**

**BEFORE THE CITY COUNCIL OF THE  
CITY OF WILSONVILLE, OREGON**

In the Matter of the Application of	)	
Polygon WLH, LLC	)	
for a Rezoning of Land and Amendment	)	<b>ZONING ORDER DB16-0020</b>
of the City of Wilsonville	)	
Zoning Map Incorporated in Section 4.102	)	
of the Wilsonville Code.	)	

The above-entitled matter is before the Council to consider the application of DB16-0020, for a Zone Map Amendment and an Order, amending the official Zoning Map as incorporated in Section 4.102 of the Wilsonville Code.

The Council finds that the subject property (“Property”), legally described and shown on Attachment, has heretofore appeared on the City of Wilsonville zoning map as Public Facility (PF).

The Council having heard and considered all matters relevant to the application for a Zone Map Amendment, including the Development Review Board record and recommendation, finds that the application should be approved.

THEREFORE IT IS HEREBY ORDERED that The Property, consisting of approximately 3.2 acres located in the Villebois Village Center, west of Villebois Drive North, south of future SW Paris Avenue. Comprising tax lot 2900 of Section 15AC, T3S, R1W, Clackamas County, Oregon, as more particularly shown and described in Attachment A, is hereby rezoned to Village (V), subject to conditions detailed in this Order’s adopting Ordinance. The foregoing rezoning is hereby declared an amendment to the Wilsonville Zoning Map (Section 4.102 WC) and shall appear as such from and after entry of this Order.

Dated: September \_\_\_\_, 2016.

\_\_\_\_\_  
TIM KNAPP, MAYOR

APPROVED AS TO FORM:

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Barbara A. Jacobson, City Attorney

ATTEST:

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Sandra C. King, MMC, City Recorder

Attachment A: Legal Description and Sketch Depicting Land/Territory to be Rezoned



## ATTACHMENT A

April 25, 2016

## LEGAL DESCRIPTION

Job No. 395-054

A tract of land being Lot 77, plat of "Villebois Village Center No. 3", Clackamas County Plat Records, in the Northeast and Northwest Quarters of Section 15, Township 3 South, Range 1 West, Willamette Meridian, City of Wilsonville, Clackamas County, State of Oregon, more particularly described as follows:

BEGINNING at the most westerly corner of said Lot 77;

thence along the northerly line of said Lot 77, North 47° 03' 23" East, a distance of 342.14 feet to the most northerly corner of said Lot 77;

thence continuing along said northerly line, South 43° 37' 09" East, a distance of 371.18 feet to a point of tangential curvature;

thence continuing along said northerly line, along a 185.00 foot radius tangential curve to the right, arc length of 20.99 feet, central angle of 06° 30' 02", chord distance of 20.98 feet, and chord bearing of South 40° 22' 08" East to a point of tangency;

thence continuing along said northerly line, South 37° 07' 07" East, a distance of 74.48 feet to the most easterly corner of said Lot 77;

thence along the southerly line of said Lot 77 for the following 5 courses:

along a 528.00 foot radius non-tangential curve, concave southeasterly, with a radius point bearing South 31° 28' 38" East, arc length of 105.67 feet, central angle of 11° 27' 58", chord distance of 105.49 feet, and chord bearing of South 52° 47' 22" West to a point of tangency,

South 47° 03' 23" West, a distance of 142.05 feet to the most southerly corner of said Lot 77, North 42° 56' 37" West, a distance of 196.00 feet to an angle point,

South 47° 03' 23" West, a distance of 91.00 feet to an angle point, North 42° 56' 37" West, a distance of 259.67 feet to the POINT OF BEGINNING.

Containing 3.20 acres, more or less.

Basis of bearings per "Villebois Village Center No. 3", Clackamas County Plat Records.

REGISTERED  
PROFESSIONAL  
LAND SURVEYOR

OREGON  
JULY 9, 2002  
TRAVIS C. JANSEN  
57751

RENEWES: 6/30/2017

TONQUIN WOODS  
AT VILLEBOIS  
NO. 8

SW PARIS AVENUE

SW COLLINA LANE

LOT 78

LOT 82

N47°03'23"E 342.14'

LOT 77

S43°37'09"E 371.18'

VILLEBOIS VILLAGE  
CENTER NO. 3

POB

LOT 81

N42°56'37"W 259.67'

R=185.00'  
L=20.99'  
Δ=6°30'02"  
CH=20.98'  
S40°22'08"E

S37°07'07"E  
74.48'

LOT 76

S47°03'23"W  
91.00'

N42°56'37"W 196.00'

S47°03'23"W 142.05'

SW VILLEBOIS  
DRIVE NORTH

R=528.00'  
L=105.67'  
Δ=11°27'58"  
CH=105.49'  
S52°47'22"W

ATTACHMENT A



DRAWN BY: GPS DATE: 4/25/16  
REVIEWED BY: TCJ DATE: 4/25/16  
PROJECT NO.: 395-054  
SCALE: 1"=100'  
PAGE 2 OF 2



12564 SW Main St  
Tigard, OR 97223  
[T] 503-941-9484  
[F] 503-941-9485

Ord. No. 795 Attachment 2  
Staff Report  
Wilsonville Planning Division

Mont Blanc No. 2

City Council  
Quasi-Judicial Public Hearing

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**Hearing Date:** August 15, 2016

**Date of Report:** July 26, 2016

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**Application Nos.:** DB16-0020 Zone Map Amendment

**Request/Summary:** The applicant request the City Council review a Quasi-judicial Zone Map Amendment for a 92-unit residential development, associated parks and open space and other improvements.

**Location:** Villebois Village Center, West of Villebois Drive North, South of future SW Paris Avenue. The property is specifically known as Tax Lot 2900, Section 15AC, Township 3 South, Range 1 West, Willamette Meridian, City of Wilsonville, Clackamas County, Oregon.

**Owner:** Sharon Eshima, RCS- Villebois LLC

**Applicant:** Fred Gast, Polygon WLH LLC

**Applicant's Rep.:** Stacy Connery, AICP  
Pacific Community Design, Inc.

**Comprehensive Plan Designation:** Residential-Village  
**Zone Map Classification (Current):** PF (Public Facility)  
**Zone Map Classification (Proposed):** V (Village)

**Staff Reviewers:** Daniel Pauly AICP, Associate Planner  
Steve Adams PE, Development Engineering Manager  
Kerry Rappold, Natural Resource Program Manager

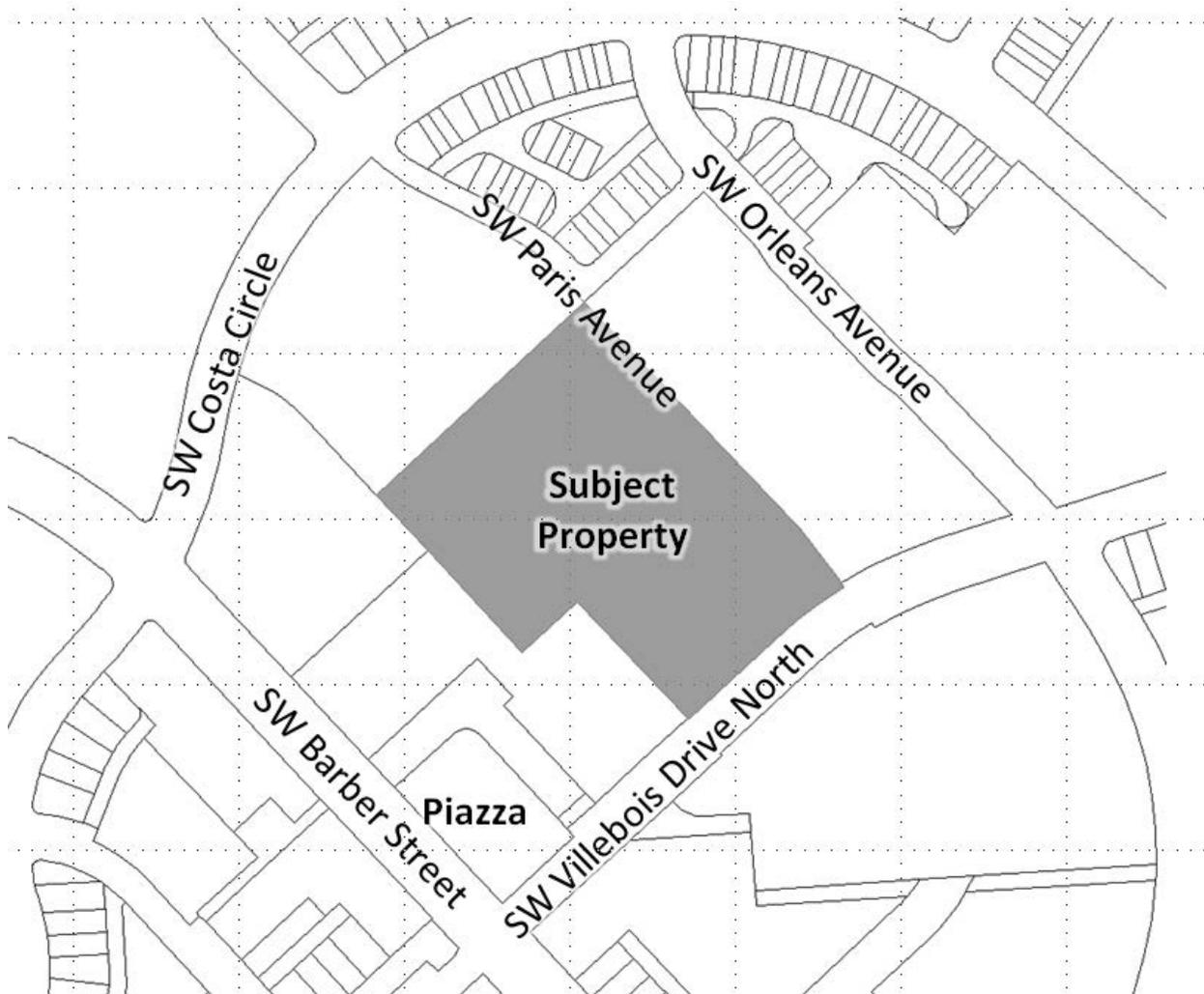
**Staff and DRB Recommendation:** Approve the requested Zone Map Amendment.

**Applicable Review Criteria:**

<u>Development Code:</u>	
Section 4.008	Application Procedures-In General
Section 4.009	Who May Initiate Application
Section 4.010	How to Apply
Section 4.011	How Applications are Processed
Section 4.014	Burden of Proof

Section 4.031	Authority of the Development Review Board
Section 4.033	Authority of City Council
Subsection 4.035 (.04)	Site Development Permit Application
Subsection 4.035 (.05)	Complete Submittal Requirement
Section 4.110	Zones
Section 4.113	Residential Development in Any Zone
Section 4.125	V-Village Zone
Section 4.197	Zone Changes and Amendments to Development Code-Procedures
<b><u>Other City Planning Documents:</u></b>	
Comprehensive Plan	
Villebois Village Master Plan	
SAP Central Approval Documents	

**Vicinity Map**



**Background/Summary:**

Zone Map Amendment (DB16-0020)

The subject property still has a “Public Facility” zoning dating from its time as part of the campus of Dammasch State Hospital. Consistent with other portions of the former campus, a request to update the zoning consistent with the Comprehensive Plan is included concurrent with applications to develop the property.

**Conclusion:**

Staff and the DRB have reviewed the application and facts regarding the request and recommends the City Council approve of the zone map amendment (DB16-0020).

**Procedural Statements and Background Information:**

1. The statutory 120-day time limit applies to this application. The application was received on May 16, 2016. On June 15, 2016, staff conducted a completeness review within the statutorily allowed 30-day review period, and, on July 14, 2016, the Applicant submitted new materials. On July 15, 2016 the application was deemed complete. The City must render a final decision for the request, including any appeals, by November 12, 2016
2. Surrounding land uses are as follows:

Compass Direction	Zone:	Existing Use:
Northeast:	V	SW Paris Avenue (planned, not constructed), Row Houses (approved, not built)
Northwest	V	SW Collina Lane (planned, not constructed), Row Houses (approved not built)
Southwest:	PF	vacant
Southeast	V	SW Villebois Drive North (planned, not constructed), Row Houses (approved, not built)

3. Prior land use actions include:

Legislative:

02PC06 - Villebois Village Concept Plan  
 02PC07A - Villebois Comprehensive Plan Text  
 02PC07C - Villebois Comprehensive Plan Map  
 02PC07B - Villebois Village Master Plan  
 02PC08 - Village Zone Text  
 04PC02 – Adopted Villebois Village Master Plan

LP-2005-02-00006 – Revised Villebois Village Master Plan  
LP-2005-12-00012 – Revised Villebois Village Master Plan (Parks and Recreation)  
LP09-0003 – Zone text amendment to allow for detached row houses  
LP10-0001 – Amendment to Villebois Village Master Plan (School Relocation from SAP North to SAP East)  
LP13-0005 – Amendment to Villebois Village Master Plan (Future Study Area)

Quasi Judicial:

DB06-0005 -

- Specific Area Plan (SAP) – Central.
- Village Center Architectural Standards.
- SAP-Central Architectural Pattern Book.
- Master Signage and Wayfinding Plan.
- Community Elements Book Rainwater Management Program and Plan

DB06-0012 - DB06-0012-Tentative Subdivision Plat (Large Lot)

DB09-0037 & 38 – Modification to the Village Center Architectural Standards (VCAS) to change/add provision for detached row houses.

DB13-0015 – SAP Central Phasing Amendment

DB13-0043 – Tentative Subdivision Plat for Villebois Village Center No. 3 (large lot subdivision, includes subject properties.

DB15-0005 – SAP Refinements and Central Phasing Amendment

DB15-0064 and DB15-0069 – SAP Central Refinements and Phasing Amendments

4. The applicant has complied with Sections 4.013-4.031 of the Wilsonville Code, said sections pertaining to review procedures and submittal requirements. The required public notices have been sent and all proper notification procedures have been satisfied.
5. Required and other notices to the public and other agencies have been sent as follows:

Notice of A Proposed Change to a Comprehensive Plan or Land Use Regulation was sent to the Oregon Department of Land Conservation and Development (DLCD) on June 16, 2016, more than 35 days prior to the first evidentiary hearing scheduled July 25, 2016.

A Development Review Team notice soliciting comments was sent July 7, 2016 requesting submittal of comments by July 14, 2016. This notice was sent to City staff and other agencies, franchise utilities, etc. who have requested this type of notice from the City.

A Public Hearing Notice was mailed and posted on July 5, 2016, 20 days prior to the first hearing. The Public Hearing Notice included information on the dates and location of the Development Review Board and City Council Hearings, information on how to comment on the application, and the nature of the application.

## Findings:

NOTE: Pursuant to Section 4.014 the burden of proving that the necessary findings of fact can be made for approval of any land use or development application rests with the applicant in the case.

### General Information

#### Application Procedures-In General Section 4.008

**Review Criteria:** This section lists general application procedures applicable to a number of types of land use applications and also lists unique features of Wilsonville's development review process.

**Finding:** These criteria are met.

**Explanation of Finding:** The application is being processed in accordance with the applicable general procedures of this Section.

#### Initiating Application Section 4.009

**Review Criterion:** "Except for a Specific Area Plan (SAP), applications involving specific sites may be filed only by the owner of the subject property, by a unit of government that is in the process of acquiring the property, or by an agent who has been authorized by the owner, in writing, to apply."

**Finding:** This criterion is satisfied.

**Explanation of Finding:** The application has been submitted on behalf of contract purchaser Polygon Homes and is signed by the property owners, RCS Villebois LLC.

#### Pre-Application Conference Subsection 4.010 (.02)

**Review Criteria:** This section lists the pre-application process

**Finding:** These criteria are satisfied.

**Explanation of Finding:** A pre-application conference was held on March 31, 2016 in accordance with this subsection.

#### Lien Payment before Approval Subsection 4.011 (.02) B.

**Review Criterion:** "City Council Resolution No. 796 precludes the approval of any development application without the prior payment of all applicable City liens for the subject property. Applicants shall be encouraged to contact the City Finance Department to verify that there are no outstanding liens. If the Planning Director is advised of outstanding liens while an application is under consideration, the Director shall advise the applicant that payments must be made current or the existence of liens will necessitate denial of the application."

**Finding:** This criterion is satisfied.

**Explanation of Finding:** No applicable liens exist for the subject property. The application can thus move forward.

General Submission Requirements  
Subsection 4.035 (.04) A.

**Review Criteria:** “An application for a Site Development Permit shall consist of the materials specified as follows, plus any other materials required by this Code.” Listed 1. through 6. j.

**Finding:** These criteria are satisfied.

**Explanation of Finding:** The applicant has provided all of the applicable general submission requirements contained in this subsection.

Zoning-Generally  
Section 4.110

**Review Criteria:** “The use of any building or premises or the construction of any development shall be in conformity with the regulations set forth in this Code for each Zoning District in which it is located, except as provided in Sections 4.189 through 4.192.” “The General Regulations listed in Sections 4.150 through 4.199 shall apply to all zones unless the text indicates otherwise.”

**Finding:** These criteria are satisfied.

**Explanation of Finding:** This proposed development is in conformity with the Village zoning district, and general development regulations listed in Sections 4.150 through 4.199 have been applied in accordance with this Section.

## DB16-0020 Zone Map Amendment

### Comprehensive Plan

Development per Villebois Village Concept Plan  
Implementation Measure 4.1.6.a

- A1. Review Criteria:** “Development in the “Residential-Village” Map area shall be directed by the Villebois Village Concept Plan (depicting the general character of proposed land uses, transportation, natural resources, public facilities, and infrastructure strategies), and subject to relevant Policies and Implementation Measures in the Comprehensive Plan; and implemented in accordance with the Villebois Village Master Plan, the “Village” Zone District, and any other provisions of the Wilsonville Planning and Land Development Ordinance that may be applicable.”

**Finding:** These criteria are satisfied.

**Details of Finding:** The subject area is within SAP-Central, which was previously approved as part of case file DB06-0005 et. seq. and found to be in accordance with the Villebois Village Master Plan and the Wilsonville Planning and Land Development Ordinance.

Elements of Villebois Village Master Plan  
Implementation Measure 4.1.6.b.

- A2. Review Criteria:** This implementation measure identifies the elements the Villebois Village Master Plan must contain.

**Finding:** These criteria are not applicable

**Details of Finding:** The current proposal is for residential development implementing the elements as outlined by the Villebois Village Master Plan, as previously approved.

Application of “Village” Zone District  
Implementation Measure 4.1.6.c.

- A3. Review Criterion:** “The “Village” Zone District shall be applied in all areas that carry the Residential-Village Plan Map Designation.”

**Finding:** This criterion is satisfied.

**Details of Finding:** The Village Zone zoning district is being applied to an area designated as Residential-Village in the Comprehensive Plan.

Uses Supporting “Urban Village”  
Implementation Measure 4.1.6.d.

- A4. Review Criterion:** “The “Village” Zone District shall allow a wide range of uses that befit and support an “urban village,” including conversion of existing structures in the core area to provide flexibility for changing needs of service, institutional, governmental and employment uses.”

**Finding:** This criterion is satisfied.

**Details of Finding:** The area covered by the proposed zone change is proposed for

residential uses as shown in the Villebois Village Master Plan.

## Planning and Land Development Ordinance

### General

Zoning and Comprehensive Plan  
Section 4.029

**A5. Review Criterion:** “If a development, other than a short-term temporary use, is proposed on a parcel or lot which is not zoned in accordance with the Comprehensive Plan, the applicant must receive approval of a zone change prior to, or concurrently with the approval of an application for a Planned Development.”

**Finding:** This criterion is satisfied.

**Details of Finding:** The applicant is applying for a zone change concurrently with other land use applications for development as required by this section.

Base Zones  
Subsection 4.110 (.01)

**A6. Review Criterion:** This subsection identifies the base zones established for the City, including the Village Zone.

**Finding:** This criterion is satisfied.

**Details of Finding:** The requested zoning designation of Village “V” is among the base zones identified in this subsection.

### Village Zone

Village Zone Purpose  
Subsection 4.125 (.01)

**A7. Review Criteria:** “The Village (V) zone is applied to lands within the Residential Village Comprehensive Plan Map designation. The Village zone is the principal implementing tool for the Residential Village Comprehensive Plan designation. It is applied in accordance with the Villebois Village Master Plan and the Residential Village Comprehensive Plan Map designation as described in the Comprehensive Plan.”

**Finding:** These criteria are satisfied.

**Details of Finding:** The subject lands are designated Residential-Village on the Comprehensive Plan map and are within the Villebois Village Master Plan area and the zoning designation thus being applied is the Village “V”.

Village Zone Uses  
Subsection 4.125 (.02)

- A8. Review Criteria:** This subsection lists the uses permitted in the Village Zone.  
**Finding:** These criteria are satisfied.  
**Details of Finding:** The proposed residential uses are consistent with the Village Zone designation and Villebois Village Master Plan.

Concurrency with PDP  
Subsection 4.125 (.18) B. 2.

- A9. Review Criterion:** "... Application for a zone change shall be made concurrently with an application for PDP approval..."  
**Finding:** This criterion is satisfied.  
**Details of Finding:** A zone map amendment is being requested concurrently with a request for PDP approval. See Request C.

**Zone Change Review**

Zone Change Procedures  
Subsection 4.197 (.02) A.

- A10. Review Criteria:** "That the application before the Commission or Board was submitted in accordance with the procedures set forth in Section 4.008, Section 4.125(.18)(B)(2), or, in the case of a Planned Development, Section 4.140;"  
**Finding:** These criteria are satisfied.  
**Details of Finding:** The request for a zone map amendment has been submitted as set forth in the applicable code sections.

Comprehensive Plan Conformity, etc.  
Subsection 4.197 (.02) B.

- A11. Review Criteria:** "That the proposed amendment is consistent with the Comprehensive Plan map designation and substantially complies with the applicable goals, policies and objectives, set forth in the Comprehensive Plan text;"  
**Finding:** These criteria are satisfied.  
**Details of Finding:** The proposed zone map amendment is consistent with the Comprehensive Map designation of Residential-Village, and as shown in Findings A1 through A4 substantially complies with applicable Comprehensive Plan text.

Residential Designated Lands  
Subsection 4.197 (.02) C.

- A12. Review Criteria:** "In the event that the subject property, or any portion thereof, is designated as "Residential" on the City's Comprehensive Plan Map; specific findings shall be made addressing substantial compliance with Implementation Measure 4.1.4.b, d, e, q, and x of Wilsonville's Comprehensive Plan text;"  
**Finding:** These criteria are satisfied.

**Details of Finding:** Implementation Measure 4.1.6.c. states the “Village” Zone District shall be applied in all areas that carry the Residential-Village Plan Map Designation. Since the Village Zone must be applied to areas designated “Residential Village” on the Comprehensive Plan Map and is the only zone that may be applied to these areas, its application is consistent with the Comprehensive Plan.

Public Facility Concurrency  
Subsection 4.197 (.02) D.

**A13. Review Criteria:** “That the existing primary public facilities, i.e., roads and sidewalks, water, sewer and storm sewer are available and are of adequate size to serve the proposed development; or, that adequate facilities can be provided in conjunction with project development. The Planning Commission and Development Review Board shall utilize any and all means to insure that all primary facilities are available and are adequately sized.”

**Finding:** These criteria are satisfied.

**Details of Finding:** The Preliminary Development Plan compliance report and the plan sheets demonstrate that the existing primary public facilities are available or can be provided in conjunction with the project.

SROZ Impacts  
Subsection 4.197 (.02) E.

**A14. Review Criteria:** “That the proposed development does not have a significant adverse effect upon Significant Resource Overlay Zone areas, an identified natural hazard, or an identified geologic hazard. When Significant Resource Overlay Zone areas or natural hazard, and/ or geologic hazard are located on or about the proposed development, the Planning Commission or Development Review Board shall use appropriate measures to mitigate and significantly reduce conflicts between the development and identified hazard or Significant Resource Overlay Zone;”

**Finding:** These criteria are satisfied.

**Details of Finding:** The subject property does not involve land in the SROZ or contain any inventoried hazards identified by this subsection.

Development within 2 Years  
Subsection 4.197 (.02) F.

**A15. Review Criterion:** “That the applicant is committed to a development schedule demonstrating that the development of the property is reasonably expected to commence within two (2) years of the initial approval of the zone change.”

**Finding:** This criterion is satisfied.

**Details of Finding:** The applicant has provided information stating they reasonably expect to commence development within two (2) years of the approval of the zone change. However, in the scenario where the applicant or their successors do not commence development within two (2) years, allowing related land use approvals to expire, the zone change shall remain in effect.

Development Standards Conformance  
Subsection 4.197 (.02) F.

**A16. Review Criteria:** “That the proposed development and use(s) can be developed in compliance with the applicable development standards or appropriate conditions are attached to insure that the project development substantially conforms to the applicable development standards.”

**Finding:** These criteria are satisfied.

**Details of Finding:** As can be found in the findings for the accompanying requests, the applicable development standards will be met either as proposed or as a condition of approval.

**DEVELOPMENT REVIEW BOARD  
RESOLUTION NO. 330**

**A RESOLUTION ADOPTING FINDINGS RECOMMENDING APPROVAL TO CITY COUNCIL OF A ZONE MAP AMENDMENT FROM PUBLIC FACILITY (PF) ZONE TO VILLAGE (V) ZONE, AND ADOPTING FINDINGS AND CONDITIONS APPROVING A SPECIFIC AREA PLAN – CENTRAL REFINEMENTS, PRELIMINARY DEVELOPMENT PLAN, TENTATIVE SUBDIVISION PLAT, TENTATIVE CONDOMINIUM PLAT, TYPE ‘C’ TREE PLAN AND FINAL DEVELOPMENT PLAN FOR THE DEVELOPMENT OF CONDOMINIUMS AND ROW HOUSES IN PHASE 10 OF SAP-CENTRAL. THE SUBJECT PROPERTY IS LOCATED ON TAX LOTS 2900 OF SECTION 15AC, T3S, R1W, CLACKAMAS COUNTY, OREGON. POLYGON WLH, LLC, APPLICANT.**

WHEREAS, an application, together with planning exhibits for the above-captioned development, has been submitted in accordance with the procedures set forth in Section 4.008 of the Wilsonville Code, and

WHEREAS, the Planning Staff has prepared staff report on the above-captioned subject dated July 18, 2016, and

WHEREAS, said planning exhibits and staff report were duly considered by the Development Review Board Panel A at a scheduled meeting conducted on July 25, 2016, at which time exhibits, together with findings and public testimony were entered into the public record, and

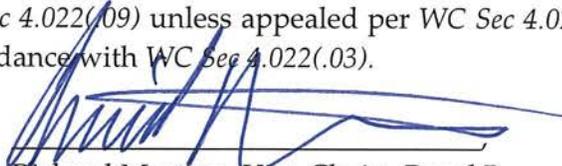
WHEREAS, the Development Review Board considered the subject and the recommendations contained in the staff report, and

WHEREAS, interested parties, if any, have had an opportunity to be heard on the subject.

NOW, THEREFORE, BE IT RESOLVED that the Development Review Board of the City of Wilsonville does hereby adopt the staff report dated July 18, 2016, attached hereto as Exhibit A1, with findings and recommendations contained therein, and authorizes the Planning Director to issue permits consistent with said recommendations, subject to City Council approval of the Zone Map Amendment Request (DB16-0020), for:

DB16-0021 through DB16-0026 SAP Central Refinements, Preliminary Development Plan for Phase 10 Central, Final Development Plan, Tentative Subdivision Plat, Tentative Condominium Plat, and Type C Tree Plan for a 92-unit condo and row house development, and associated parks and open space and other improvements.

ADOPTED by the Development Review Board of the City of Wilsonville at a regular meeting thereof this 25<sup>th</sup> day of July, 2016 and filed with the Planning Administrative Assistant on July 26, 2016. This resolution is final on the 15<sup>th</sup> calendar day after the postmarked date of the written notice of decision per WC Sec 4.022(.09) unless appealed per WC Sec 4.022(.02) or called up for review by the council in accordance with WC Sec 4.022(.03).



Richard Martens, Vice-Chair - Panel B  
Wilsonville Development Review Board

Attest:



Shelley White, Planning Administrative Assistant

**Ordinance No. 795  
ZONE MAP AMENDMENT  
Zoning Order DB16-0020  
Villebois Phase 10 Central  
Mont Blanc No. 2**

**INDEX of DRB RECORD**

**The following items are included in the City Council Packet for August 15, 2016:**

- City Council Staff Report for August 15, 2016 Meeting
- Ordinance No. 795 approving and adopting Zoning Order DB16-0020
- Ordinance No. 795 Zoning Order DB16-0020
- Ordinance No. 795 Legal Description and Map of Land/Territory to be Rezoned
- Ordinance No. 795 Planning Staff Report Dated July 26, 2016, Zone Map Amendment Findings
- Ordinance No. 795 Development Review Board Panel B's Resolution No. 330 recommending approval of the Zone Map Amendment.

The following documents are NOT included in the City Council Packet but may be viewed at the following links:

1. Council Exhibit B: DRB adopted staff report and exhibits, including:
  - Exhibit A1: DRB Amended & Adopted Staff Report
  - Exhibit A2: Staff PowerPoint Presentation for DRB hearing  
<http://www.ci.wilsonville.or.us/AgendaCenter/ViewFile/Item/1574?fileID=5882>
  - Exhibit B1: Applicant notebook  
<http://www.ci.wilsonville.or.us/AgendaCenter/ViewFile/Item/1574?fileID=5883>
  - Exhibit B2: Large format plans for PDP  
<http://www.ci.wilsonville.or.us/AgendaCenter/ViewFile/Item/1574?fileID=5884>
  - Exhibit B3: Large format plans for FDP  
<http://www.ci.wilsonville.or.us/AgendaCenter/ViewFile/Item/1574?fileID=5885>
  - Exhibit B4: Materials regarding redesign to accommodate trash and recycling container storage
  - Exhibit B5: Parking Bay Revisions July 19, 2016 (Revising Exhibit B4)  
<http://www.ci.wilsonville.or.us/AgendaCenter/ViewFile/Item/1574?fileID=5888>
  - Exhibit B6: Letter from Republic Services and Attachments (Revision to Section VIE of Exhibit B1 and Exhibit B4)  
<http://www.ci.wilsonville.or.us/AgendaCenter/ViewFile/Item/1574?fileID=5889>
  - Exhibit C1: Engineering Requirements
  - Exhibit C2: Natural Resources Findings and Requirements

without a car? Does it feel safe? Is a place you can be proud of? Livability is in the details of how we put all those ordinary parts together.

One thing that is not quite so ordinary about us is the large role that business and industry plays here. As the gateway city between the metro area and the valley we are a transportation and distribution hub with far more commercial and industrial space than our neighbors in West Linn, Lake Oswego, or Sherwood. We have more employees than residents, a bigger daytime than nighttime population, which leaves in a fairly unique position compared to other Portland suburbs, and that means some unique challenges and opportunities.

This is a time of transition for Wilsonville and that is especially evident in our commercial West Side. Recently, Bob Gibbs, a nationally renowned retail planner, visited Wilsonville and spent the day analyzing our retail environment. He described two basic models or visions for Wilsonville's retail future. In one we continue to emphasize businesses that target primarily a local market - things like groceries, restaurants, dry cleaners, and other retailers geared to our local markets. In the second we emphasize - perhaps even recruit - major retailers with a much larger market. Specialty retailers like Trader Joe's, Borders Books, Pottery Barn, or Restoration Hardware.

Under the first scenario we may indeed have more land zoned for retail than is supportable. His suggestion was to consider developing part of what is now vacant but zoned for retail as office or higher density residential in order to more fully support those local businesses. Under the second scenario we can support much more space for retail/commercial. The second scenario means higher levels of congestion but it also means more local shopping choices with fewer miles traveled. Either model has the potential to be done well and be the kind of place we are all proud to be part of -- or not -- because either model could also be done poorly. The difference is sure to be in the details.

The implications of either model - or of some hybrid - warrant a discussion the community needs to have soon, because this respite is sure to be brief. Changes are headed our way whether we try to direct them or not.

No where is that more true than on the Westside. As the Spokesman pointed out this week, transition times like this are rough on individual businesses, but big changes are already underway. At least four major properties are simultaneously on the verge of redevelopment. That doesn't happen very often. Tim Knapp has already led the way with a beautiful building in old town that's fully leased; demonstrating an example of good design and of the West Side's potential.

A little further west, the City continues to work with the State to identify a quality developer for Dammasch who can make the vision of an urban village a reality. West Side Commuter rail, which will connect Wilsonville to Beaverton, continues to move through the planning and engineering phases with a target start date around 2004.

The water treatment plant should be completed a year from this spring with a beautiful river front water park. The new Boones Ferry Primary School is under construction and set to open next fall, with major improvements to Wilsonville Road scheduled to coincide. To the north, October should bring a whole new employment base with the opening of the Coffee Creek Correctional Facility. As I said we're looking at a very short breather here.

King, Sandy

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**From:** Cosgrove, Bryan  
**Sent:** Wednesday, August 10, 2016 12:17 PM  
**To:** jcwconsult@aol.com; Mayor; scottstarr97070@gmail.com; Councilor Julie Fitzgerald; Councilor Susie Stevens; Councilor Charlotte Lehan  
**Cc:** King, Sandy; Cole, Susan; Handran, Angela; Ottenad, Mark; Gail, Jon; Kraushaar, Nancy; Ward, Mike; Weigel, Zach; Munsterman, Pam; Kerber, Delora; Gray, Arnie; jbartman@pamplinmedia.com; nma@motorists.org  
**Subject:** RE: Possible red light camera use

James,

Thank you for the email, and for the additional resources for future consideration. At this time, we are merely looking at options to deal with a problem related to congestion and motorists blocking a key intersection. I appreciate your comments, and we will incorporate the information you've provided into any next steps and recommendations we make to our elected officials.

Best Regards,

Bryan Cosgrove,  
City Manager

503.570.1504 (office)  
[cosgrove@ci.wilsonville.or.us](mailto:cosgrove@ci.wilsonville.or.us)  
29799 SW Town Center Loop  
Wilsonville, Oregon 97070

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**"The only disability in life is a bad attitude."**  
**~Scott Hamilton**

**From:** jcwconsult@aol.com [mailto:jcwconsult@aol.com]  
**Sent:** Wednesday, August 10, 2016 10:35 AM  
**To:** Mayor; scottstarr97070@gmail.com; Councilor Julie Fitzgerald; Councilor Susie Stevens; Councilor Charlotte Lehan  
**Cc:** Cosgrove, Bryan; King, Sandy; Cole, Susan; Handran, Angela; Ottenad, Mark; Gail, Jon; Kraushaar, Nancy; Ward, Mike; Weigel, Zach; Munsterman, Pam; Kerber, Delora; Gray, Arnie; jbartman@pamplinmedia.com; nma@motorists.org  
**Subject:** Possible red light camera use

RE: <http://portlandtribune.com/pt/9-news/317352-194664-red-light-cams-considered-for-troubled-wilsonville-intersection>

To the Honorable Wilsonville Officials:

Before you consider using red light cameras, you should FIRST be sure to set the yellow intervals long enough for the ACTUAL perception/reaction times and ACTUAL approach speeds of at least 85% of the drivers. In the engineering formula, this means using 1.4 seconds for the perception/reaction time, NOT the 1.0 seconds usually used which is long enough for only about half the drivers. The approach speed must be the actual 85th percentile speed when traffic is free flowing under good conditions, measured far enough away from the intersection where drivers are not affected very much by the light they will approach. In all probability, the yellow interval would then be set about 1.0 seconds longer, to be long enough for at least 85% of the drivers under good conditions. This procedure eliminates most of the inadvertent split second violations by safe drivers, violations caused by the yellow interval being just slightly too short. Note these split second violators clear the intersection during the all red phase and before the cross traffic can arrive, so they present exactly zero crash risks.

Then be sure to set the all-red interval correctly for the actual approach speeds and the width of the intersection.

The red light violation rate will likely drop by 70% to 90%, and contrary to the false information from camera companies the violation rate reduction is permanent, not temporary. The crash rate risk should also drop, perhaps by about 40%.

After these changes, a for-profit camera company would then survey the intersection and conclude that a camera would lose money with too few violations to justify installing a camera. Red light cameras are usually used ONLY where the engineering of the intersections is faulty, so that enough tickets are given to safe drivers for the expensive cameras (typically \$4,000+ per month per camera) to turn profits.

And please be aware that this statement is false:

***The red light camera system itself wouldn't cost the City, since a company would install and maintain the system at no cost, in exchange for a portion of the money garnered from tickets***

Red light cameras do serious economic damage to the communities that use them. The Federal Reserve calculates the "velocity of money" at about six times a year, meaning that \$100 spent on January 1st will repeatedly circulate in the economy to produce a total of about \$600 in sales of goods and services by December 31st. Each \$4,000 that you send to the camera company (perhaps in Arizona where the two largest for-profit camera companies are located) will generate about \$24,000 in total economic turnover in a year. Almost none of that turnover will occur in the Wilsonville area to benefit your local businesses, their employees, and ultimately your tax base because the money will be permanently exported to another state. The money for one camera at \$4,000 per month will generate about \$288,000 in total turnover in one year, virtually all of it in another state. Even if only half the total turnover in a year stayed in the Wilsonville area, each camera will cost your economy about \$144,000 a year in lost sales for your local businesses.

I strongly urge you to make the engineering changes first, and then re-evaluate the situation. It is almost certain you will then conclude that using red light cameras is not the right decision. Your residents and visitors will applaud a decision to not use the hated and despised cameras that often actually raise the intersection crash rates, as well as taking a lot of money from mostly safe drivers.

Respectfully submitted,

James C. Walker  
 Life Member, National Motorists Association  
 Board Member and Executive Director, National Motorists Association Foundation  
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 2050 Camelot Road  
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 734-668-7842  
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BIO: Age 71, licensed for 55 years, over 1.1 million miles of experience in 26 major countries, a volunteer student of these issues for 50+ years. I work closely with the safety department of the Michigan State Police and testify frequently before state legislative committees on proposed legislation that affects traffic safety and other motorists issues.

# City of Wilsonville

## June 2016



**Clackamas County Sheriff's Office**  
**2223 Kaen Rd**  
**Oregon City, OR 97045**

[www.co.clackamas.or.us/sheriff](http://www.co.clackamas.or.us/sheriff)

## Monthly Summary

During June 2016, the Clackamas County Sheriff's Office provided law enforcement service to the City of Wilsonville on a 24 hour a day basis. During this time period the Sheriff's Office answered 655 calls for service, which was an average of 21.8 calls per day.

The monthly average for calls for service during the past three years has been 541.0. The 655 calls in the City during the month of June reflect a 21.1% increase over the average during the last three years.

Below is a chart showing the number of calls for service in the City during the last 5 years.

<u>Year</u>	<u>Number of Calls</u>	<u>Monthly Average</u>	<u>Daily Average</u>
2011	5,539	461.6	15.2
2012	5,709	475.8	15.6
2013	6,230	519.2	17.1
2014	6,558	546.5	18.0
2015	6,689	557.4	18.3

An overall look at the shift activity reflects the following percentages of calls taken, traffic stops made and reports written for June.

	<u>Percentage of Calls Taken</u>	<u>Percentage of Traffic Stops</u>	<u>Percentage of Reports Written</u>
<b>Graveyard:</b>	<b>24.1%</b>	<b>55.1%</b>	<b>18.8%</b>
<b>Day Shift:</b>	<b>42.6%</b>	<b>16.3%</b>	<b>46.4%</b>
<b>Swing Shift:</b>	<b>33.3%</b>	<b>28.6%</b>	<b>34.9%</b>

During June 2016, 245 traffic stops were made in the City with the following breakdown for each shift.

	<u>Total</u>		<u>Graveyard</u>		<u>Days</u>		<u>Swing Shift</u>	
<b>Stops Made:</b>	<b>245</b>	<b>=</b>	<b>135</b>	<b>55.1%</b>	<b>40</b>	<b>16.3%</b>	<b>70</b>	<b>28.6%</b>
<b>Citations Issued:</b>	<b>132</b>	<b>=</b>	<b>63</b>	<b>47.7%</b>	<b>32</b>	<b>24.2%</b>	<b>37</b>	<b>28.0%</b>

Included in the above totals are 14 traffic stops (5.7%) and 18 citations (13.6%) issued by the Traffic Deputy.

**Calls for Service**

<b>Number of Calls Per Shift</b>	<b>June 2016</b>		<b>Monthly Average 2015</b>	
	<b>655</b>		<b>557.4</b>	
<b>Graveyard</b> (2100-0700)	<b>158</b>	<b>24.1%</b>	<b>108.3</b>	<b>19.4%</b>
<b>Day Shift</b> (0700-1700)	<b>279</b>	<b>42.6%</b>	<b>253.8</b>	<b>45.5%</b>
<b>Swing Shift</b> (1100-0300)	<b>218</b>	<b>33.3%</b>	<b>195.3</b>	<b>35.0%</b>
<b>Average Number of Calls Per Day</b>	<b>21.8</b>		<b>18.3</b>	

**Other Officer Activity**

<b>Type of Activity</b>	<b>June 2016</b>	<b>2015 Monthly Average</b>
<b>Follow-Up Contact</b>	<b>94</b>	<b>77.5</b>
<b>Foot Patrol</b>	<b>9</b>	<b>12.3</b>
<b>Premise Check</b>	<b>6</b>	<b>40.1</b>
<b>Subject Stop</b>	<b>25</b>	<b>54.9</b>
<b>Suspect Contact</b>	<b>2</b>	<b>5.4</b>
<b>Suspicious Vehicle Stop</b>	<b>54</b>	<b>67.5</b>
<b>Warrant Service</b>	<b>13</b>	<b>7.8</b>
<b>Total:</b>	<b>203</b>	<b>265.5</b>

The chart on the following page shows the types of calls for service received during the month. These calls do not reflect actual criminal activity. In some cases the call was dispatched as a particular type of incident, but it was later determined to be of a different nature.

**Types of Calls**

Type of Calls	June 2016	2015 Monthly Average
Abandoned Vehicle	3	1.7
Accidents (All)	31	27.3
Alarms	62	55.6
Animal Complaint	16	11.7
Assault	4	3.9
Assist Outside Agency	16	12.8
Assist Public	23	30.5
Burglary	4	5.3
Criminal Mischief	16	12.3
Death Investigation		2.2
Disturbance	40	27.8
Extra Patrol Request	2	2.8
Fire Services	6	10.1
Fraud	29	20.2
Hazard	5	10.8
Juvenile Problem	19	15.4
Kidnap		0.2
Mental	3	5.7
Minor In Possession		0.8
Missing Person	3	1.9
Noise Complaints	22	8.3
Open Door / Window	2	1.9
Promiscuous Shooting	1	1.2
Property Found / Lost / Recovered	23	16.3
Provide Information	21	28.6
Prowler	1	1.0
Recovered Stolen Vehicle	3	1.8
Robbery	3	0.3
Runaway Juvenile		3.7
Sexual Crime (All)		2.9
Shooting		.0
Stolen Vehicle / UUMV	6	3.7
Suicide Attempt / Threat	12	10.1
Suspicious Circumstances	14	13.4
Suspicious Person	24	29.9
Suspicious Vehicle	10	14.9
Theft / Shoplift	43	34.0
Threat / Harassment / Menacing	17	17.9
Traffic Complaint	89	41.2
Unknown / Incomplete Call	10	11.8
Unwanted / Trespassing	13	13.8
Vice Complaints (Drugs)	5	5.9
Violation of Restraining Order	6	1.9
Welfare Check	33	23.2
Other Not Listed Above	15	11.3
<b>Total:</b>	<b>655</b>	<b>557.4</b>

**Median Response Times to Dispatched Calls**

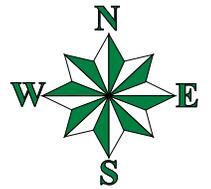
All Dispatched Calls	All Calls	Priority 1 & 2 Calls
<b>Input to dispatch:</b> (Time call was on hold)	3:00 Minutes	2:15 Minutes
<b>Dispatch to Arrival:</b> (Time it took deputy to arrive after being dispatched)	5:14 Minutes	4:48 Minutes

During June, 192 reports were written. 18.8% were written by the graveyard shift, 46.4% by the dayshift units and 34.9% were written by the swing shift units.

**Reports Written**

Type of Report	June 2016
Accident	14
Theft	26
Criminal Mischief	10
Burglary	5
Stolen Vehicle	3
Assault	3
Identity Theft	2
Drug Crimes	
Other / Misc. Reports	129
<b>Total:</b>	<b>192</b>

Shift Totals	November 2015	
Graveyard	36	18.8%
Day Shift	89	46.4%
Swing Shift	67	34.9%



-  Assault
-  Burglary
-  Criminal Mischief
-  Stolen Vehicle
-  Theft

